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(The newspapers and magazines from which these agricultural items are taken are on file in Press Service, Room 407A. Phone Gene Harrison at 6031.)

From The New York Journal of Commerce, Jan. 2 -

TRUMAN MOVE SEEN TOSSING FARM PROBLEM INTO LAP OF CONGRESS-Washington-
Presidential proclamation that hostilities in the second World War ended at noon yesterday throws the whole question of supporting farm prices in the lap of the Republican Congress.

However, since statutory provisions require the continued support of agricultural prices for two years beginning with the first of January immediately succeeding the proclamation, there is no immediate urgency requiring early action by the Congress to maintain support levels.

The effect of the proclamation as far as it concerns farm prices, is to maintain supports at or near current levels throughout 1947 and 1948.

SUGAR PRICE RISE HELD IMMINENT: WITH DUTY ON CUBAN SUGAR GOING AGAIN TO TREASURY, INDEX RISE SUGAR MUST GO UP-Entry of Cuban sugar duty free terminated yesterday, and Cuban shippers have been requested to make the necessary changes in the preparation of shipping documents.

With the duty, which for some time now has been going to the CCC for operating expenses, reverting to the Treasury, the belief prevails that in order for CCC to stay out of the "red" in its sugar operations, as the law now provides, a further rise in the price of sugar will be necessary, especially since a further increase in the cost of living index to which Cuban sugar is tied is in prospect.

Trade sources estimate that the rise will be from 20¢ a hundred pounds to \$1 a hundred with guesses favoring something close to the inside figure.

HUGE PEANUT CROP BRINGS HIGHEST PRICES IN HISTORY-Southern and Southwestern farmers are marketing this winter a record peanut crop at the highest prices in history, the National Peanut Council reported yesterday.

The crop will total 2,075,000,000 pounds and will bring the farmer about \$300,000,000 the council figured.

From Wall Street Journal, Jan. 2 -

GOVERNMENT SUPPORT OF CROP PRICES MIGHT COST BILLIONS THIS YEAR-Washington-Harried taxpayers may get a bill for billions from the American farmer in 1947.

Wheat farmers alone may touch the "man in the barrel" for half a billion. The prospect is making insomniacs of GOP economy planners. It worries Agriculture Secretary Anderson.

Two factors add up to this outlook. First, it looks like next year's crops will exceed even the mammoth harvest that this year bulged the sides of the cribs, bins and elevators. And that points downward for prices. Second, the U.S. Congress, in its wartime eagerness to hoist farm output to the maximum, wrote into the statute books a Government promise to support farm commodities at a price level which now seems likely to be penetrated on a broad front if prices do much dropping.

From The New York Herald Tribune, Jan. 2 -

SUGAR STAMP 53 IS GOOD: 15-POUND RISE PREDICTED-Washington-Spare stamp 53 in Ration Book 4 became good today for five pounds of sugar and indications that 1947 will bring more sugar for consumers.

Although sugar rationing is expected to last for some time, Agriculture Department officials predicted that consumer sugar allotments this year would be boosted at least fifteen pounds over 1946.

Clinton P. Anderson, Secretary of Agriculture, said last month that consumers would get an extra five pounds by April 1.

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From New York Times, Jan. 2-

PRICE SHAKEDOWN EXPECTED IN 1947-Retail trade in 1946 reached record levels in dollar volume that may not be exceeded for some time to come. Stiff price advances during the year held the gain in unit turnover of merchandise to small proportions. As 1947 arrives a stiff price shakedown appears in prospect which may be well under way by July 1.

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HIGH PEAK SEEN IN FOREIGN TRADE-The post-war improvisations in international commerce that have carried United States foreign trade to record levels since V-J Day will push it to even higher peaks during 1947, foreign trade experts stated in estimating the coming year.

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BOOM IN LUMBER TO CONTINUE IN '47-Lumber production for the current year will equal or surpass the 34,000,000,000 board feet estimated for 1946 by the National Association of Lumber Manufacturers, H. E. Broderick, executive secretary of the Northeastern Lumber Manufacturers Association, predicted yesterday. Prices, he said, will be stabilized within sixty days at levels 10 percent above former ceilings.

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FOOD LINES FACING MANY DIFFICULTIES-The food industry is approaching the new year with a large package of troubles engendered by inability to effect a smooth transition from war to peacetime conditions, by growing production surpluses in most lines and by abnormal continuing shortages in such essential items as sugar, fats, oils and soap. Food executives are expressing the optimistic opinion, however, that supply and demand will gradually balance during the coming year with a resultant switch from a seller's to a buyer's market and stabilized but lower prices.

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CHICAGO MILK PRICE IS CUT-OTHER DAIRY PRICES ALSO DOWN-Chicago-Chicago dairies announced a general reduction in the prices of milk and other dairy products averaging one cent a quart and effective tomorrow. Other dairy products were reduced in proportion. The drop in retail milk prices was attributed directly to the recent break in the retail price of butter and is being made, dairy officials said, in anticipation of lower prices being paid to farmers this month.

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From Baltimore Evening Sun, Dec. 28 -

STUDY OF FARMER PRICE PARITY IS SEEN IN CONGRESS - Washington - The parity formula, which has been a bone of contention on Capitol Hill for years, is due for a thorough examination when the Eightieth Congress convenes under Republican leadership.

It is expected that the House committee on Agriculture, under Representative Hope (R., Kan.), will conduct hearings to determine whether to revise the formula.

One of the most recent storm signals for the formula was raised yesterday by Representative Andresen (R., Minn.). A member of the House Appropriations Committee, Andresen said he would press to include the cost of farm labor in the parity formula. He also said he would move to have farm prices permanently maintained at 90 per cent of parity.

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From Nashville (Tenn.) Tennessean, Dec. 23 -

NO WELSHING - Editorial - A fundamental part of our war effort was food production. This can be had only at higher cost since agriculture operates on an increasing cost basis. But higher prices for food crush the poor. The way out of this dilemma was ceiling prices and producer subsidies. Along with the subsidies went the unqualified government promise -- in the form of the Steagall Amendment -- to guarantee 90 per cent of parity on basic farm products for two years after the war.

The word of our government has been given. There should be no welshing.

Secretary Anderson has become alarmed over the possibility that the Steagall pledge might cost the government two billion dollars by 1950. He points to the fact that a surplus of 95,000,000 bushels of potatoes had to be taken from the market this year at a loss of \$80,000,000 and inquires what may happen when corn, wheat, cotton, tobacco, dairy products and a score of others drop below parity.

Should Secretary Anderson impose extra-legal production quotas and refuse to pay support prices to farmers who exceeded quotas, he would violate the government's word, injure the farmers, and do irreparable damage to the Democratic Party. The drift of agriculture toward Republicanism would become a stampede.

Instead of trying to find a way around the commitment, Mr. Anderson should call on the farm organizations to get together with the government on a long-range program to be started now. The machinery already exists for a referendum. If he will not make the move, then the farmers should. Agriculture has a bird in the hand. But in this case it had better use it for bargaining purposes. If the nation has to dig up a couple of billion dollars just to maintain a two-year program, it will be less inclined to bet behind a permanent prosperity-for-agriculture plan.

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From Savannah (Ga.) News - Dec. 23 -

THE TRUTH ABOUT SUGAR - Editorial - Charges and counter-charges regarding the sugar situation in the United States make it extremely difficult to get at the truth concerning the problem, in so far as the layman and the individual consumers are concerned.

If there are good reasons for a shortage, which government experts say will continue for two years, the American public should be told exactly what they are, with facts and figures to support them. Otherwise, the situation will continue to be confused, with a consequent discontent on the part of everybody concerned.

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From Pittsburgh Post-Gazette, Dec. 23-

THE MARGARINE FIGHT - Editorial - Thanks to a welcome decision of the Dauphin County Court, Pennsylvania retailers and wholesalers of margarine are free of state tax restrictions for the first time since the anti-margarine law was passed in 1899.

Pending appeal of a decision holding crippling state taxes unconstitutional, retailers of margarine will not have to pay \$100 and wholesalers \$500 for the privilege of selling the table spread.

The ruling does not affect similar license fees imposed by the state upon manufacturers, hotels, restaurants and boarding houses. Unfortunately, they were not contested in the suit, and of course, the ruling offers no relief from restrictive taxes imposed by the Federal Government.

However, this significant decision may break a link in the chain of unreasonable and prohibitive taxes upon what the Court recognizes is a "pure, wholesome and nutritive article of food . . . sold in competition with, and not as a substitute for, other articles of food."

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From Providence (R.I.) Journal, Dec. 26 -

SOUTHERN PROTEST - Editorial - Nothing could better illustrate the profound change during the past generation in the pattern of American economy than the current protest of Southern commissioners of agriculture against tariff reductions. Even in the second decade of this century the South was still regarded as the chief opponent of the theory of protective tariffs.

But it ought to be clear to everyone who thinks deeply and seriously about the tariff that, while the particular needs of a locality or a manufacturing industry or an agricultural area must be carefully weighed and respected, this country is engaged in trading with the rest of the world on a scale greater than ever before in its history. If we are to have a healthy economy, particularly if we are to maintain adequate employment, we must enter into commercial agreements with other nations. For we must find outlets in other countries for our great capacity to produce.

We must make tariff concessions to them, just as they must make concessions to us, if there is to be any real basis for hope of restoring and preserving a flourishing international commerce.

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From Buffalo (N.Y.) Courier-Express, Dec. 23 -

PERSISTENT H. C. OF F. - Editorial - With food prices now at record high levels, interest attaches to the announcement by the Department of Agriculture that they will drop somewhat within the next three to six months though not to the same extent as after World War I. Meat prices, however, are expected to decline little this Winter from present high levels. In the Spring, prices, particularly for the better grades, may go down. Incidentally, the Bureau of Labor Statistics wholesale food price index for December was about 8 per cent below the October peak.

Housewives have found little occasion to cheer on the score of reduced food costs since the passing of price control. A really significant drop in food prices generally is yet to be anticipated. The outline of prospects by the Department of Agriculture is encouraging but hardly optimistic. At the time controls were lifted from meat, leaders of the packing industry estimated it would take a year before prices could decrease appreciably because of the dislocation of the industry prior to the removal of controls.

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(The newspapers and magazines from which these agricultural items are taken are on file in Press Service, Room 414A. Phone Gene Harrison at 6031)

From The New York Times, Jan. 3 -

TWO N.Y. OFFICES PUSH INQUIRY ON BUTTER-Albany-Attorney General Nathaniel L. Goldstein said today that a "double-barrelled" investigation of New York's wholesale butter market was under way at "full steam."

A joint inquiry by the Attorney General's office and the State Department of Agriculture was ordered last week by Governor Dewey after a sharp drop in the price of butter.

The State inquiry parallels Federal investigations order by Attorney General Tom C. Clark and Secretary of Agriculture Clinton P. Anderson.

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SECRETARY ANDERSON HELPS MEXICO ON CATTLE DISEASE-Washington-Clinton P. Anderson Secretary of Agriculture, authorized today the sending of a veterinary commission to Mexico to aid in organizing the fight against an epidemic of foot and mouth disease among Mexican cattle. He conferred with Oscar Flores, Mexican Under-Secretary of Agriculture, concerning the outbreak, which has halted shipment of cattle from Mexico to the United States.

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GRANGER PLANS BILL TO AID WOOL-Washington-A new effort to establish wool on a more stable price basis will be made during the new Congress by Representative Granger (Dem.) of Utah.

He said he plans to introduce, as soon as possible, his bill establishing a "Comparable" price for wool and including it among agricultural commodities entitled to Federal support under the Steagall Law.

The measure also would authorize the Department of Agriculture to conduct research into marketing, grading and transportation methods, he said.

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CANADA TO RAISE HOG PRICE-Ottawa-To increase hog production in Canada and to assure greater supplies for Britain, the price to be paid for Canadian bacon has been advanced from \$25 to \$29 per hundredweight for Grade A Wiltshire sides, effective Sept. 1, the Agriculture Minister, James A. Gardiner, announced today.

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From New York Herald Tribune, Jan. 3 -

JAPAN TO REVIVE COTTON TRADE-Tokyo-General Douglass MacArthur approved today a Japanese plan to borrow 1,318,000,000 yen (\$87,286,667) to help revive the cotton industry. Ten companies that control 97 percent of Japan's 3,900,000 spindles were authorized to borrow through regular banking channels. The funds must be used for plant rehabilitation.

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From The Journal of Commerce, New York, Jan. 3 -

LIFTING OF CONTROLS OVER MOLASSES STUDIED-Washington-Elimination of all price and allocation restrictions on blackstrap and beet molasses is now under consideration by the Office of Temporary Controls, with indications pointing toward a decision within the next few days.

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PENN. FILES EXCEPTION TO MARGARINE DECISION-Commonwealth of Pennsylvania files exception to court decision invalidating State license fees on margarine.

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From The Wall Street Journal, Jan. 3 -

EXPORT COMMITMENTS on grain will be boosted by the U. S. within the next few days. The Government will set the new quotas high enough to make up recent deficiencies due to shipping shortages.

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TARIFF TRIMMING DEMOCRATS WILL BE TRIPPED BY THE GOP-House and Senate leaders, afraid to scuttle lock, stock and barrel the Administration's foreign policy, won't wipe out the reciprocal trade agreements program. But they'll limit Truman's powers to negotiate new tariff cuts.

Now planned is a joint resolution blocking new tariff agreements for six months. This'll kill a 17-nation pow-wow slated for April. Then the House Ways and Means Committee will probe the whole reciprocal trade program.

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FREIGHT CAR LOADINGS IN FIRST QUARTER PUT AT 8.8% ABOVE 1946-Freight car loadings will be 8.8% larger in the first quarter of this year than in the similar period of 1946, according to estimates compiled by the 13 shippers' advisory boards. A total of 7,091,603 loaded cars of the 32 principal commodities is forecast for the initial quarter of 1947. For the like period last year the actual car loadings were 6,515,810 cars of the same commodities. All 13 shippers' advisory boards estimate an increase in carloadings in their territories for the period.

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From The New York Herald Tribune, Continued, Jan. 3 -

TARIFF CUT HELD THREAT TO U.S. CLOTHING TRADE-If the American State Department carries out its announced intention of reducing tariff duties on raw wool and wool textiles in contemplated reciprocal trade treaties with Australia and the rest of the British United Kingdom, "the entire structure of the wool textile and the great American ready to wear clothing industries will be jeopardized," the American Wool Council asserted in a forecast issued for 1947.

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From Philadelphia (Pa.) Bulletin, Dec. 30 -

BUTTER SUPPLY AND DEMAND - Editorial - The antics of the butter market, which slumped ten cents a pound the day after Christmas and regained four cents the next day, have aroused suspicions of Secretary of Agriculture Anderson and Governor Dewey, and inquiries are under way. The question is whether prices are being rigged.

When OPA price ceilings on butter and almost everything else went into the trash can some time ago, the public was told that a "free market" was what it really wanted. The plea was for the operation of the famous law of supply and demand, and the promise was that while prices would jump at first, commodities would become available. Higher prices would later bring more commodities into the market, and then prices would fall.

They unquestionably would if supply outran demand, unless persons with monopolistic powers tampered with the demand-supply law.

Such things have been known to happen, and governmental authorities do their plain duty when they search out the facts and try to forestall mass holdups of buyers.

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From Hutchinson (Kan.) News-Herald, Dec. 21 -

THREE TIMES IN A ROW - Editorial - This year and the year before Kansas produced whopping wheat crops. It was the first time in history that the state produced two consecutive 200-million bushel yields. And if the promise of current conditions is fulfilled, Kansas will ring the bell three times in a row.

Prospects for a coming crop never have looked better in Kansas than they do today. Conditions are so good that, in three far western counties, the government lists them at 105 percent of perfect. If the weather holds, this state in 1947 will harvest enough wheat to equal the all-time record of 240 million bushels established in 1931.

But there is an exceedingly dark lining to this silver cloud. The yields under the new methods point to a surplus problem someday that, without successful government interference with the law of supply and demand, would leave wheat a cheaper fuel than John Lewis priced coal.

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From Greenville (S.C.) News, Dec. 25 -

A SURPRISING PROTEST - Editorial - It is indeed surprising to note that one who professes to speak for Southern agriculture should be protesting against the moderate downward revisions in tariffs in projected trade agreements with a number of foreign countries.

It has been the South, and particularly Southern agriculture, which has in the past stood for low tariffs. Yet here is the secretary of the Association of Southern Commissioners of Agriculture pointing a gloomy picture of a "roaring downward drop" in the purchasing power of Southern agricultural products if these trade agreements are put into operation.

We think he will find it very difficult to offer any logical justification for his view. These agreements are being worked out under the reciprocal trade program so long and earnestly advocated by former Secretary Cordell Hull, who certainly was well acquainted with the economic position and interests of Southern farming.

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From Chicago Sun, December 29 -

HIGH TARIFFS, FEWER JOBS - Editorial - If Republicans in Congress announced a program to deprive three to five million Americans of jobs, they would not be listened to.. But that in substance is what they are proposing when they talk of revising our foreign trade policy in the direction of higher tariffs.

The tariff offensive now forming has two aims: first, to repeal or modify last year's extension of the Reciprocal Trade Agreement Act; second, to sabotage the negotiation of agreements under that act at the world trade conference scheduled for April.

A tariff is a method of increasing the price which Americans must pay for goods produced abroad. It is, therefore, a method of reducing imports, and automatically a method of reducing exports. If exports are reduced, the Americans who produce them will lose their jobs.

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From Terre Haute (Ind.) Star , Dec. 23 -

FARM PROPOSALS - Editorial - Speculation in Washington indicates that national farm policies may be destined for major revision. One proposal is to eliminate \$300,000,000 a year in payments to farmers for soil-conservation practices. Balancing the budget is a must.

This soil-conservation program amounts to a crop control measure and many congressmen believe the goal can be reached in other and less costly ways. One proposal in Congress to control surpluses is so-called "forward pricing." That is the Department harvest a year in advance. This goal would be intended to satisfy demand without accumulating large surpluses. This would be accompanied by price guarantees to producers.

It is doubtful whether the latter proposal will receive majority support of Congress. It is more likely that the policy of gigantic subsidies will be abandoned in all fields. There is no valid reason why the taxpayers should subsidize anything.

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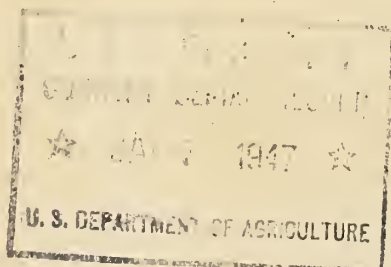
From Albany (N.Y.) Knickerbocker News, Dec. 21 -

FARM PRICE SLUMPS - Editorial - Wheat down 20 cents, corn 13 cents, wholesale eggs 2 cents in a week; lard from 55 to 28 cents, hides from 35 to 28 cents and cotton down nine cents in a little while, altogether one-third of farm staples selling below parity.

It recalls following War I. The government may have to swing into action its two-year guarantee of 90 per cent of parity prices for farmers. That could worry the balance-the-budgeteers of Congress, not to mention the effect it could have on the country's economy.

If the food and cotton industry have pressed a bit hard on consumers, the slumps may promise the latter a better day.

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Farm Digest 15-47

(The newspapers and magazines from which these agricultural items are taken are on file in Press Service, Room 414A. Phone Gene Harrison at 6031.)

From New York Times, Jan. 5 -

MILK PRICE WAR STARTS IN NEW YORK AS U.S. CHARGES ARE FILED-A price war was begun yesterday among milk dealers serving retail stores, cutting prices paid by stores for milk in containers and bottles from $17\frac{1}{2}$ cents to $16\frac{1}{2}$ cents a quart and in a few cases to as low as 16 cents.

The cut in prices to the retail stores spread to consumer prices in a few neighborhoods, reducing the price to the housewife from 21 cents to 20 cents a quart. It predicted in the trade that consumer milk prices generally would be affected this week.

Pressure on milk prices developed as United States Attorney John F. X. McGohey filed an information in Federal District Court here charging the Dairymen's League Cooperative Association and four of its officers with manipulation of the wholesale price of butter to maintain producers' milk prices in violation of the Commodities Exchange Act.

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From New York Times, Jan. 6 -

BUTTER PRICE SEEN 20C LOWER IN JUNE: RETAIL DECLINES IN CHEESE AND MILK ARE PREDICTED-Chicago-The men who buy and sell butter predicted today that the price the housewife has to pay will keep on going down until probably the decline reaches as much as 20 cents in the next five months.

The prices of cheese and milk also will drop as a result of the break in the butter market, according to wholesalers and brokers on the Chicago Mercantile Exchange.

The housewife herself gets some of the credit for the coming lower prices, they said, because she has refused to pay present high prices.

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SEES 5c-CIGAR ON WAY BACK-The five cent cigar is on the way back. A greatly expanded market, the ranks of which were sold by members of the armed forces introduced to the pleasures of cigar smoking during the war is clamoring for the inexpensive brands, Sol. C. Korn, president of the Gleaming-Hall Tobacco Company said today. "The demand for 5,10,15 and 20 cent cigars will increase tremendously during 1947," he predicted.

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From New York Herald Tribune, Jan. 6 -

BANKERS WARNS FARMERS ON PRICE BREAK DANGER-A warning to farmers and other operators of rural enterprises of the danger of a disastrous break in prices of both farm property and farm products was issued by the agricultural commission of the American Bankers Association in a year-end statement.

(Turn to page 2 for other items in today's N.Y. Herald Tribune)

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From New York Herald Tribune, Jan. 6 Continued -

NEW RELIEF GRAIN TRANSPORT-Washington-Clinton P. Anderson, Secretary of Agriculture, said today the United States could spare 550,000,000 bushels of grain for export by July "if we could get the needed transportation." Secretary Anderson, participating in a radio discussion of European food requirements, said the principal bottleneck to moving the grain is the shortage of railroad boxcars.

From Wall Street Journal, Jan. 6 -

CORN PRICES REDUCED-Boston-Prices of light and heavy cream were reduced in New England and Massachusetts officials held out the prospect of milk falling from one to two cents a quart before spring, along with a general decrease in all dairy products.

The Association of New England Milk Dealers announced a reduction of two cents a half pint in heavy cream and one cent for light cream.

Rogers Clapp, chairman of the Massachusetts Milk Control Board said, "milk will drop from one to two cents just as soon as production becomes more plentiful with the wane of severe winter weather."

SOAP PRICES TO STAY HIGH FOR SOME TIME SAYS LUCKMAN-Boston-As the result of tight supply situation, Mr. Charles Luckman, of Lever Bros. said, soap prices will remain high for some time to come. Prices of raw materials are now 125% above those paid under the Office of Price Administration. All governments of the world he said, are bidding for the raw products.

From the New York Journal of Commerce, Jan. 6 -

PHILIPPINE SUGAR RECOVERY SLOW-Sugar recovery in the Philippines is developing slowly. Output this season is expected to be 100,000 tons, indication imports will be required to meet domestic needs. In 1947-48 season production will be 330,000 tons. It will be about 1950 before normalcy is restored in the Islands.

'46 FOOD SPENDING DOUBLE 1941 LEVEL-Washington-Consumers spent a total of \$46,000,000,000 for food and beverages in 1946 and at the same time ate more meals at home, according to a preliminary report of the Office of Business Economics, Department of Commerce.

The \$46,000,000,000 total represented more than 35 percent of all consumer outlays for goods and services. It was about 17 percent above food expenditures in 1945 and more than double the amount spent in 1941. On a per capita basis, it was equivalent to an annual expenditure of \$330. This compares with per capita expenditures of \$305 in 1946 and \$170 in 1941.

From Pittsburgh Post-Gazette, Dec. 28 -

BUTTER SHEMANIGANS - Editorial - In order to keep prices of milk at high levels, the Dairymen's League Co-operative Association in New York admits that it has been "active" in butter markets.

The New York City Consumer Council, claiming to represent about 500,000 persons, is properly incensed over the reported market manipulation. At its request, Attorney General Clark has ordered Department of Justice agents to look into the situation.

The Government should investigate the New York dairy market, and the market in any other industry where prices appear to be pegged at artificial levels. If we are to have "free enterprise," it should be free in fact as well as in theory.

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From Chicago Tribune, Dec. 28 -

BUYING BUTTER TO RIG MILK PRICES - Editorial - The recent sharp drop in wholesale butter prices has been traced in part to the fact that the Dairymen's league, the cooperative marketing association of New York dairy farmers had been speculating in the butter market. The league bought butter in order to force the price up and thereby to give a higher basis for fixing the fluid milk price for the next 30 days.

The league didn't want the butter. Its members sell butter; they don't buy it. When Dec. 24, the end of the period used as a price fixing base, rolled around the league quit buying and the price of butter hit the skids. Whatever the league may have lost, by being long on butter in a falling market, its members hope to recover during the next month thru the artificially rigged price of their milk.

If this looks like smart business let it be remembered that it is exactly the kind of smart business that caused the passage of the securities and exchange act, to punish Wall street insiders for rigging the stock market. The only difference is that the wolves of Wall street defrauded a lot of suckers who were under no compulsion to speculate, whereas the Dairymen's league defrauded New York kids who need milk.

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From Paterson (N.J.) Call, Dec. 24 -

SENATOR CAPPER TO TAKE OVER SADDLE IN CONGRESS - Editorial - Senator Arthur Capper, who by the seniority rule will become chairman of the Senate Agriculture and Forestry Committee, can be depended upon to weigh all farming measures with the interest of the American farmer always in mind.

The farming-state senator will naturally hold fast to the Government's wartime promise of keeping farm commodity prices at 90 per cent of parity for the two years following the war.

As the senator points out, however, the taxpayer has a very proper voice in the ultimate extent to which his government should continue to keep up the price of farm products. For such high price assurances may eventually result in such bulging surpluses that the major part of it will have to be unloaded in other lands at heavy loss to our government, a loss that will come out of the taxpayer's pocket. Furthermore if the American price is kept so high for so long a time that foreign farm products can eventually be imported at a much lower price, the American farmer is bound to wind up the loser.

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From Billings (Mont.) Gazette, Dec. 22 -

FARM FUTURE - Editorial - Two recent news stories give farmers and prospective farmers cause for thought, though not necessarily for pessimism. One concerns the warning by Secretary of Agriculture Anderson that farm land values are too high, and in Montana, Wyoming and 13 other states are more than double those of the 1935-39 period. He contends that farm land values have shot up 14 per cent in the last 12 months, and are within 11 per cent of the 1920 inflationary peak, from which prices tumbled to ruin thousands of land purchasers.

The other is the statement of Senator Capper of Kansas, who is slated to head the senate agriculture committee. He made it in announcing his backing of farm production controls under the government price support program if needed to prevent unsalable surpluses. These surpluses have been practically nonexistent throughout the war years, but they may come again before long-term mortgages are paid off. They mean, of course, lower prices, which do not go well with high payments for farm lands.

All is not gloom, however. Farm debts now are comparatively low, and most recent purchasers of farm property have paid a large portion of the total cost in cash, carrying over only a small amount of the total cost to be paid in the future. Further, prices of farm commodities are expected to remain good for some time, although the present abnormally high level probably will not be maintained.

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From Worcester (Mass.) Telegram, Dec. 24 -

BIG FARMS AND SMALL - Editorial - Small farms are better than large ones, not only for the farmers themselves but also for the communities or areas in which they live, according to the conclusions of the Senate's Special Committee to Study and Survey Problems of Small Business Enterprises. This committee may take a genuine interest in small enterprises, but the length of its name suggests no fondness for compactness.

The committee's report, prepared by Dr. Walter R. Goldschmidt of the University of California, declares that small farms "provide the basis for a richer community life and a greater sum of those values for which America stands, than do industrialized farms of the usual types."

That probably will not be widely challenged. But would America be a better country today if no young farmer in the past had wanted to own a bigger farm?

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From Watertown (N.Y.) Times, Dec. 24 -

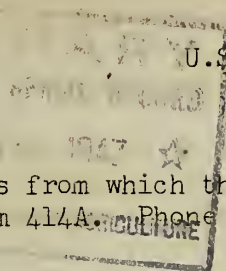
THE DRIVE AGAINST RECIPROCAL TARIFFS - Editorial - The Republican high tariff advocates have found unexpected allies. Agricultural commissioners from 13 Southern states have protested against a continuation of present low tariff policies as disastrous to the South. This is a complete reversal of the traditional Southern low tariff attitude.

As an indication of what may be expected in the new congress is the demand of Congressman Bertrand W. Gearhart of California that present trade and tariff policies be investigated and the suggestion of Senator Hugh Butler, Nebraska Republican, that state department trade negotiations be suspended pending such an investigation.

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DAILY FARM NEWS DIGEST
(For January 7, 1947)



U.S. DEPARTMENT OF AGRICULTURE
OFFICE OF INFORMATION
Washington 25, D. C.

(The newspapers and magazines from which these agricultural items are taken are on file in Press Service, Room 414A. Phone Gene Harrison at 6031.)

From New York Times, Jan. 7 -

TRUMAN ASKS 'BALANCED PATTERN' FOR PEACETIME FARMING-(AP)-Washington - President Truman outlined in his message a permanent farm program designed to channel agriculture's abundant production into use rather than into surplus stockpiles to be absorbed by the Government at great expense.

He said that ways could be found (1) to utilize agriculture's new skills, (2) to expand its markets at home and abroad and (3) to carry out the objectives of a "balanced pattern of peacetime production without either undue sacrifice by farm people or undue expense by the Government."

He warned that in the next few years agriculture could face the same dangers it did after World War I, when production stayed up and prices fell.

"We must make sure," he asserted, "of meeting the problems we failed to meet after the first World War."

He said that present laws gave "considerable stability" to farm prices for 1947 and 1948.

PRICE CUT IN MILK SLATED FOR FEB. 1 - The city's milk industry, insisting that price cutting had been confined to a few distributors in the Bronx, said yesterday that a general reduction in costs to consumers would occur on Feb. 1. Until then there will be no price cut for most of New York's consumers of home-delivered or store milk, trade spokesmen declared.

While all parts of the industry were agreed that prices would decline at the start of next month, a difference of opinion arose as to the saving to housewives. Spokesmen for chain stores and independent retailers said they expected a drop of 2 cents a quart on Feb. 1, but Edward O. Mather, executive director of the Milk Dealers Association of Metropolitan New York, predicted that the initial retail reduction would be only 1 cent. . . .

He was of the opinion that retail prices would drop another cent on March 1 and a third cent on April 1.

N. Y. STATE TO CONTINUE SCHOOL LUNCHEONS-Albany - The hot lunch program in the schools of the State, threatened because Federal aid for the school year will be used up by Feb. 1, will be continued with \$2,500,000 in State aid, it became known today.

SUGAR SUPPLIES ADEQUATE TO MEET STAMP 53 DEMAND - Grocers throughout the city, with a few scattered exceptions, had enough sugar yesterday to meet demands of housewives since Ration Stamp 53 became valid last Wednesday.

From the New York Journal of Commerce, Jan. 7 -

RATHBUN CHALLENGES VALIDITY OF PRICE MANIPULATION CHARGE- Chicago -(AP) - The president of the Dairyman's League Co-operative Association, Inc., charged with butter price manipulation, said today he believed the association's operations were "entirely legal," especially since "there was no capital gain."

Henry H. Rathbun, expressed this position in an address to the National Council of Farmer Co-operatives. He, three members of the association's executive committee, and the association itself were charged with manipulation by the Federal Government in a criminal information filed Saturday in New York. . . .

"We bought the butter in New York and we will distribute it in New York," Rathbun said in denying Interstate commerce is involved.

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FARMERS' ANNUAL INCOME SOARS TO NEW HIGH MARK-Washington,(AP) - Farmers will file income tax returns by Jan. 15 on record gross receipts of around \$23,500,000,000.

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SUGAR - Demand for refined sugar is brisk with more ration evidence available. Refiners are stepping up production to meet the demand as new raw sugar production comes into sight. Texas and Oklahoma have been eliminated as deficit areas into which shipments of beets had been made.

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From the New York Wall Street Journal, Jan. 7 -

GRAIN EXPORT GOALS may be boosted another \$5 million bushels by Uncle Sam.

This would bring the Government shipping objective to 455 million bushels for the year ending next June 30. The goal is now 400 million. Should the new program be adopted, exports of wheat and flour would be raised from 267 up to 311 million bushels. The rest of the increase would go to other grains.

Millers doubt that the expanded program can be carried out.

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SHARE-CROPPING and farm tenancy are on the wane in the South's cotton lands.

An unpublished Agriculture Department survey of a cross section of cotton farmers in 18 states shows a strong "own your own" trend. Some 75% of those queried now hold title to the soil they till. That indicates a 50% jump in farmer ownership since the war started:

But it wasn't just high cotton prices that enabled farmers to buy the land. The Agriculture Department surveyors, in fact, ironically give most of the credit to peanuts.

The war and Government price support brought farmers eight cents a pound or better for their peanuts. The pre-war average was 3.25 cents.

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PEANUT PROGRESS stands out among farm commodities. The harvest being marketed this winter is estimated well above two billion pounds. . . . The 1946 . . . "goobers" will bring the farmers some \$300 million -- nearly eight times as much as in 1939.

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From the Memphis (Tenn.) Commercial Appeal - Dec. 29 -

MARKET RIGGING - Editorial - Butter prices plunged downward 10 cents a pound on the New York exchange the day after Christmas, and Secretary of Agriculture Clinton P. Anderson and Atty. Gen. Tom Clark at once initiated investigations. As a matter of fact, there is nothing to investigate, really.

The price of milk for the ensuing month is determined by butter prices on the New York exchange on the 25th day of the current month. Butter prices dipped the day after the January milk price to producers had been fixed at \$5.46 a hundredweight, unchanged from November. The Dairymen's League Cooperative Association announced openly that it had been buying butter to protect the dairy farmers' milk prices from a threatened drop in January. The association also insists it was not violating the law by its action.

There can be no debate about this performance. It was market rigging pure and simple.

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From the Philadelphia (Pa.) Inquirer - Jan. 1 -

SINFUL WASTE OF FOOD - Editorial - In a world where starvation persists in many unhappy countries it is more than shocking -- it is outrageous -- to learn that the United States Agriculture Department finds itself "forced" to destroy about 20,000,000 bushels of frozen and rotten potatoes.

Here's a miserable outcome of our paternalistic Government's efforts to guarantee prices for potatoes, or other products, come what may, as a so-called war measure. It is estimated that the Government will stand a loss of \$80,000,000 through its price support operations on the 1946 crop.

We read alibis for failure to divert excess potatoes to hungry people abroad, and for other causes of the waste that is now inevitable. They are not convincing. There is something fundamentally wrong with this system-- and it must be corrected.

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From the Cedar Rapids (Iowa) Gazette - Dec. 29 -

SUGAR POLICY INCONSISTENT - Editorial - In spite of Secretary of Agriculture Anderson's defense of the sugar policy being pursued by this country, there is good reason to believe that it is not all it seems. Secretary Anderson says there has been much misinformation about the purchase of Cuba's 1947 sugar by the U.S. The U.S. bought the entire crop not for itself alone but acting as an agent for "those negotiations," in order to prevent competitive bidding which would send prices to "staggering heights," he declares.

That may be true, but the fact remains that under our present policy America will be forced to undergo a sugar shortage for another few years because of heavy shipments to foreign countries.

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From the Springfield (Illinois) State Journal - Dec. 30 -

THE SUGAR SCANDAL - Editorial - Despite the recommendations of the food industry's own sugar council, voiced by Clarence Francis of General Foods corporation, certain elements within the sugar buying and selling business have carried on an intensive propaganda campaign for the abrupt removal of sugar controls.

Moreover, it now seems likely from the statements of Secretary of Agriculture Anderson, that certain New York brokers are determined to wreck the last vestige of controls over scarce sugar and line their own pockets at the public expense.

Unscrupulous elements along Wall Street must be ferreted out and the general recommendation of the food industry taken seriously on this point of contention.

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From the Flint (Michigan) Journal - Dec. 24 -

FATE OF AAA BIG QUESTION - What is going to happen to the Agricultural Production and Marketing Administration in the Republican-controlled Congress:

This question is being asked in farm circles, particularly among farmers who have participated in Agricultural Adjustment Administration soil conservation programs for more than a decade. Some persons anticipate a change; others seem to think the program will continue in modified form under a new setup.

Long-time enemies of AAA, resenting its past interference with production and its efforts to regiment farmers, are out to get the Federal agency. They are proposing that the U.S. Soil Conservation Service or some other Federal agency take over its work.

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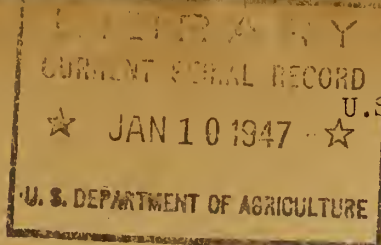
From the Jacksonville Florida Times-Union - Dec. 29 -

FUNDS FOR RESEARCH IS A HOPE FOR SOUTH'S COTTON - Editorial - The prevailing sentiment among farmers is that America's cotton crop is in for another spell of the doldrums, this time maybe a permanent set-back, unless something drastic can be done to give it the necessary boost.

It is certain that the South's cotton crop cannot go on indefinitely competing with a foreign product which can be raised considerably cheaper because of the wage that is paid to agricultural workers in certain other sections of the world. Greatest hope for the crop, as seen by many experts, has been that which has come from the possibility of mechanizing the farming methods of the product extensively. Another source of competition which is a great threat, and will become greater, are the many substitutes which are being found for this staple product of the South. Hence, it is that the reader who is interested in the continuing prosperity of the South applauds such movements as the one which has been launched by Oscar Johnston, president of the National-Cotton Council, in a letter written to cotton belt congressmen urging legislation to make available Federal funds for a cotton research project.

Farm Digest 35-47

DAILY FARM NEWS DIGEST
(For Jan. 8, 1947)



U.S. DEPARTMENT OF AGRICULTURE
OFFICE OF INFORMATION
Washington 25, D.C.

(The newspapers and magazines from which these agricultural items are taken are on file in Press Service, Room 414A. Phone Gene Harrison at 6031.)

From New York Times, Jan. 8 -

HOUSE INQUIRY SET ON INSURING CROPS-Washington-Hearings will be held soon on the Government crop insurance system with a view to drastic, cost cutting changes, Chairman Clifford R. Hope of the House Agriculture Committee asserted today.

His statement followed receipt of a letter from Clinton P. Anderson, Secretary of Agriculture, who stated:

"I am convinced that firm, even drastic, measures must be taken to place the crop insurance program on a more businesslike basis if underwriting losses are to be eliminated and administrative expenses reduced in line with the intent of Congress."

The Secretary sent identical messages to the Senate Agriculture Committee, the House and Senate Appropriations Committees and the four national farm organizations.

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SUGAR ALLOCATION INCREASED FOR '47; GOVERNMENT HOPES TO RETAIN 6,000,000 TONS, OR 83 POUNDS PER CAPITA, ANDERSON SAYS-Chicago-Secretary of Agriculture Clinton P. Anderson disclosed today the Government hopes to retain 6,000,000 tons of sugar as this country's allocation for 1947. He estimated this is equivalent to eighty-three pounds per capita, which compares with a five-year low of seventy three pounds last year and ninety eight pounds in 1940.

At a press conference preceding his address to the annual meeting of the National Council of Farmer Cooperatives, Mr. Anderson also asserted the Government should continue in control of the country's sugar supplies throughout this year.

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FARM AGENTS SEEK DATA IN MILK CASE-Books of the Dairymen's League Cooperative Association and the New York Mercantile Exchange were examined yesterday by agents of the United States Department of Agriculture. The Government has charged that the Dairymen's League and four of its officers rigged the wholesale butter market in violation of the Commodities Exchange Act.

The Department of Agriculture's investigators are working with United States Attorney John F. X. McGohey, who will arraign the defendants next Monday.

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CHEAPER WOMEN'S WEAR TO DECREASE IN '47, MEN'S SHORTAGES CONTINUE, SAYS MAYNARD-Washington-A continued shortage of major articles of men's apparel and a decline in the supply of inexpensive feminine attire during 1947 was predicted today by Theodore G. Maynard, who is retiring from the Civilian Production Administration.

Textile production insufficient to meet a steady heavy demand would operate to keep prices of most apparel items at high levels, Mr. Maynard, chief of the Clothing, Knit Goods and Equipage Branch of the Textile Division, declared in a parting statement.

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From New York Journal of Commerce, Jan. 8 -

ANDERSON DECLARES U.S. MUST SHARE SUGAR: HE HITS AGAIN AT "CERTAIN INTERESTS" WHO SEEK TO HAVE CONTROLS LIFTED NOW--Chicago--Secretary of Agriculture Clinton P. Anderson declared today that this country's integrity requires continuing a program under which Cuban sugar is shared with other countries.

He asserted that certain interests he did not identify were laying down a barrage of propaganda for immediate lifting of price and ration controls on sugar. He said these interests promised consumers more sugar if controls were ended.

In a speech delivered at a meeting of the National Council of Farmer Co-operatives, the secretary said that foes of the controls are counting on the offer of high prices in the United States to outbid needy countries and to bring this country a greater share of the world's short supplies.

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WILSON HITS AT PREMATURE SUGAR DECONTROL--California and Hawaiian Sugar Refining Corp., Lt., is anxious for the return of the sugar business to a free market status, but wants it accomplished in such a manner as to assure reasonable stability of prices and equitable distribution during the decontrol period, and not a repetition of the disastrous experience of 1920, Earl B. Wilson, president said in a statement issued yesterday.

Concerned about the campaign now being sponsored by certain interests to bring about an early ending of sugar controls, Wilson declared that "the situation facing us in 1947 is even more critical than was the case in 1920."

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From Wall Street Journal, Jan. 8 -

KENTUCKY BURLEY TOBACCO PRICES ABOVE PRE-CHRISTMAS LEVEL --Louisville-- Burley tobacco prices rose on Kentucky markets Monday to an average of \$42.67 a 100 pounds, the State Agriculture Department reported, as sales reopened after the Christmas recess.

The Department said the average was \$2.38 higher than the last pre-Christmas sale on December 20 and only eight cents below the season's record of \$42.75 set December 16.

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CUBAN SUGAR HARVEST STARTS: 16 MILLS GRINDING--Harvesting of the 1947 Cuban sugar crop is getting under way slowly with only 16 mills grinding. The official grinding date start was January 2. Last year 161 mills were in operation during the entire season.

One reason for the slow start is a shortage of sugar bags, Louis Mendoza, Cuban sugar authority, suggests in his weekly trade review.

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From the Buffalo (N.Y.) News, Dec. 30 -

MONOPOLY REARS AN UGLY HEAD - Editorial - When price controls on butter and nearly every other commodity were abolished recently, the purpose was to restore free competitive enterprise. In the name of free enterprise, therefore, the public will hope that Secretary of Agriculture Anderson and Gov. Dewey will press with vigor their investigations of last week's sudden break in New York butter prices. The timing of this sharp decline had all the earmarks of a monopolistic price-rigging maneuver no less intolerable to a system of free competition than outright governmental price-policing.

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From the Denver (Colo.) Post, Dec. 29 -

'TWIXT FARM AND TABLE SOMETHING'S AMISS - The scandalous manipulation of the New York butter market by a combination of producers offers strong evidence that the consumer has been victimized. A dairymen's organization assertedly representing 26,000 eastern milk producers is disclosed to have "rigged" the market in order to keep butter prices at an artificially high level. Since the eastern market is a powerful factor in determining the price of the commodity even in the West, we can blame these manipulations for the 90- to 98-cent butter we have been scrimping on this past month.

This has been a great growing year, but the natural bounty has not been reflected in food prices. Garden produce glutted the market last summer, and the price to the grower was so low that many a farmer left his vegetables to rot on the ground--yet retail prices remained spiked to their wartime highs and showed little seasonal decline.

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From the Atlanta (Ga.) Journal, Dec. 29 -

PRICE TRENDS - Editorial - Does the recent drop in prices of butter and eggs and citrus juices forecast a general decline in food costs? Do the after-Christmas bargain sales of clothing indicate a decisive downward trend? Competent observers answer No, as regards the near future. Officials of the Federal Department of Agriculture expect food prices, in the main, to stand much above prewar levels for most of the coming year; and close watchers do not look for a sudden or emphatic fall in other lines of consumer-goods prices.

There are certain basic factors, however, which appear to be pulling against the upward price pressure. Most important among these is a gradual increase in production and a freer play of competition. The better these can function the sooner we shall approach that balance of supply and demand which is the ultimate and natural means of price control.

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From the Milwaukee Journal, Jan. 5 -

CHEMICAL IS USED TO HALT LOSS IN STORED POTATOES, New York, N.Y.-AP - A method to prevent sprouting of potatoes in storage, a condition which threatens nearly 10% of the 1946 crop, was announced Saturday by Harvey A. Baum, head of produce buying operations of A&P food stores. Baum said that experiments indicate that plant hormone chemicals sprayed on potatoes as they go into storage will forestall damage caused by changing temperatures in sheds, barns, pits and warehouses. The new treatment, he added, is entirely harmless to food.

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From the Houston (Tex.) Post, Dec. 30 -

IS THE STORM SUBSIDING? - Editorial - Hard pressed householder and consumers generally are anxiously watching the recent rift in the dark price-clouds, wondering whether the inflationary storm has passed the peak and from now on will subside, or whether the abrupt drop in costs of food and clothing items is just a temporary post-Christmas lull in the tempest.

The reductions already made may start the cost-of-living snowball rolling downhill. It will depend largely on labor's behavior--whether 1947 is a year of industrial peace or a time of renewed paralyzing strikes. As production overtakes the demand for goods and wares, and employment hits its stride, prices must fall.

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From the Pittsfield (Mass.) Eagle, Dec. 27 -

FARM PRICES UNLIKELY EVER TO REACH PREWAR LEVELS - Editorial - The drop on yesterday's market in the price of butter, which amounted to a round 10 cents should be encouraging to the harried housewife and the worried wage/earner, the more so as a drop in one kind of food almost always entails similar declines in related products. The drastic decline, a news item says, resulted from the withdrawal of market support by the Dairymen's League, which had been bolstering the butter price in order to keep up the price of milk. Such attempts to provide artificial props for unjustified price levels almost invariably fail and are much more likely to accelerate a decline, than to retard it.

The prospect that food prices will be substantially reduced in the coming months is good; the record grain crops should soon be translated into lower prices for meat and milk. At the same time it is unlikely that they will ever get back to the point they were at the beginning of the war.

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From the Chicago (Ill.) Daily Tribune, Jan. 2 -

MORE, BETTER MEAT FOR THIS YEAR FORECAST - More meat of much better quality than any eaten during or since the war is predicted for this year and next. The improvement in beef quality will be more marked than in other kinds of meat after mid-1947 because beef quality was affected most by war restrictions. Prices will be lower, much below the black market levels during price control and below those that have existed most of the time since the end of controls, stock yard interests forecast. It is believed the peace time record meat output of 23 billion lbs. in 1946 will be exceeded this year to set a new peace year high.

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From the Chicago (Ill.) Journal of Commerce, Jan. 2 -

END OF 'HOSTILITIES' - Editorial - "Although a state of war still exists, it is at this time possible to declare. . .that hostilities have terminated." Thus spoke Harry S. Truman, President of the United States, on the last day of 1946. Now that the bombs have ceased falling, officially, how has the situation changed? Mr. Truman's proclamation terminates 20 statutes immediately and 33 others at a later date. But most important of all, in many ways, is the fact that the 90 percent of parity "floors," which must be maintained for two years from the Jan. 1 following the proclaimed end of hostilities, will vanish on Dec. 31, 1948.

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(The newspapers and magazines from which these agricultural items are taken are on file in Press Service, Room 414A. Phone Gene Harrison at 6031.)

From New York Times, Jan. 9 -

PRICE 'WAR' IN MILK SPREADING IN N.Y. CITY-The milk "price war" spread yesterday from the Bronx to Brooklyn and Queens, where scattered outbreaks of competitive undercutting saved housewives one and two cents a quart.

Sweeping through the Borough Park shopping area of Brooklyn, price cuts by retail grocers led to heavy sales for two and one-half hours before they were ended by the intercession of milk distributing companies. Representatives of the distributors prevailed on the grocers to take cut-rate signs out of their windows.

The price situation, reflecting industry-wide uncertainty in the face of increasing supplies of milk and milk products and a decreasing demand, was intensified on the eve of a hearing in Washington today on all fluid milk prices in the Northeast.

The hearing, called by the Department of Agriculture, is expected to shed new light on the rigging of December butter prices in the New York wholesale market to influence the January milk price.

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HAWAII'S SUGAR LOSS SET AT 150,000 TONS-Washington-The Hawaiian sugar strike last year will result in a loss of about 150,000 tons of sugar in the 1947 harvest according to Ernest W. Greene, vice president of the Hawaiian Sugar Planters Association.

His estimate of this year's crop is 850,000 tons compared with a prewar normal of 1,000,000 tons.

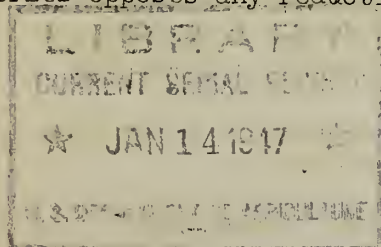
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GRAIN BONUS BILL OFFERED-Washington-Senator Reed of Kansas today introduced a bill to authorize payment of a 30-cents-a-bushel bonus to growers of wheat and corn who sold their crops between Jan. 1 and April 18, 1946, including wheat under loan to the Commodity Credit Corporation. Senator Butler of Nebraska has introduced a similar bill. Wheat was purchased last year by the Department of Agriculture at a bonus to meet European relief needs.

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OPPOSES WOOL DUTY CUT-In an effort to open up American markets to foreign manufacturers through so-called reciprocal trade treaties, the State Department is offering special advantages to nations with socialistic or totalitarian governments, "pledged to destroy the system of free enterprise," it was charged yesterday by Sylvan I. Stroock, president of S. Stroock & Co., Inc. His charge was contained in a brief filed with the Committee for Reciprocity Information. The brief opposes any reduction in tariffs on wool and woolen fabrics.

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From New York Journal of Commerce, Jan 9 -

SECRETARY ANDERSON WOULD REORGANIZE CROP INSURANCE-Washington-Secretary of Agriculture Anderson suggests that Federal Crop Insurance on wheat and other insurable crops should be sold by an "independent" staff of salesmen, headed by an experienced insurance executive. At present this insurance is sold through State and local AAA farmer committees. Anderson contends this method is too expensive.

Anderson has made no changes in the program although he could under existing authority. This week, however, he circulated a letter among farm leaders and Congressmen outlining his ideas and seeking their reaction.

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ADJUSTMENTS SEEN NARROWING FARM, INDUSTRIAL PRICE GAP-Washington-The wide disparity between prices of farm and industrial products will tend to be narrowed as a realignment of prices takes place following the immediate effects of price decontrol, the Department of Commerce said today.

Price increases for industrial products since the end of price control have already begun to wipe out the gap, Commerce analysts point out.

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BURLEY TOBACCO PRICES ADVANCE TO NEW HIGH-Louisville-The State-wide burley tobacco price average yesterday hit a new high for the season, \$42.95 per hundredweight. The figure topped the previous high set Dec. 16 by 20c.

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From The Baltimore Sun, Jan. 9 -

10 PERCENT OF FRESH PRODUCE GOES IN GARBAGE CAN-At least ten percent of all fruits and vegetables shipped from farm to market to dealer end in the retail dealer's garbage can, members of the Maryland Vegetable Growers Association were told yesterday.

The speaker was C. B. Denman, of the National Association of Food Chains. He addressed the growers' association as it met in annual convention with the Maryland Farm Bureau and its associate.

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From New York Herald Tribune, Jan. 9 -

COAT INDUSTRY MOVES TO EXPAND MARKET ABROAD FOR U.S. APPAREL-Palm Beach-The National Coat and Suit Industry Recovery Board, foreseeing a potential \$40,000,000 annual volume in export trade, decided here today that the time had come to convince the peoples of the world of the merits of American-made clothes. The board's executive committee, adopted a resolution authorizing its fair trade practice committee, headed by Samuel Klein, executive director of the Industrial Council of Cloak, Suit and Skirt Manufacturers, Inc., to ask the State Department to include coats and suits in future international reciprocal trade treaties between the United States and countries likely to favor the industry's products.

The resolution also provided for the engaging of an expert on overseas trade to direct this phase of the Recovery Board's activities.

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From Dallas (Texas) News, Jan. 3, -

GROWING DEMAND FROM ABROAD PREDICTED FOR TEXAS COTTON - Washington - Foreign demand for southwestern cotton, machinery and foodstuffs will continue to grow in 1947, the Department of Commerce forecasts.

Arthur Paul, director of the Office of International Trade and assistant to the Secretary of Commerce, predicted total exports this year would reach eleven billion dollars, an increase of 10 per cent over 1946.

Imports, he said, should reach six billion dollars, a gain of 20 per cent.

"The needs of the world for our foodstuffs, cotton and tobacco, and for machinery of every kind continue," Paul said.

His forecast of increases was based on advances in international credits through the export-import bank and the loan to Britain.

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From San Francisco News, Dec. 28 -

RIGGING PRICES - Editorial - Secretary of Agriculture Anderson charges that a group of New York brokers, itching to get their fingers into a swirling upward spiral of sugar prices, "is trying to corner world sugar supplies."

Milk producers in the area supplying New York city, Boston and other Eastern cities admit that, through a cooperative association, they have been bidding up the price of butter in order to keep milk prices high. They even boast that what they did was "in the interests of millions of consumers."

Few consumers are likely to agree. Most consumers object --- and rightly --- to price rigging, whether it's done by producers or speculators, whether the commodity affected is sugar, butter, milk or whatever.

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From Ogden (Utah) Standard-Examiner, Dec. 30 -

CORNERING A COMMODITY - Editorial - Secretary of Agriculture Clinton Anderson enlivened the year-end news by accusing a group of brokers of trying to reduce sugar controls so they could succeed in a plot to corner the market. The brokers insist that the charge is ridiculous. The public, more sugar conscious than ever before, is interested in the controversy, wonders who is right and recalls that when the nation was much younger some of the spectacular news was built around alleged corners, attempts to corner or disastrous failures of the bold traders who sought to attain monopolistic price powers.

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From Louisville (Ky.) Times, Dec. 30 -

THE NARROW VIEW - Editorial - Representative Jenkins, Ohio Republican, in his criticism of the Administration's sugar rationing program, blames the 1946 shortage chiefly on a "policy of sharing the relatively adequate supplies produced in our normal production areas with other countries."

In short, Americans might be able to indulge their sweet tooth to the fullest if the hungry abroad were left to starve. Is that Mr. Jenkins' idea of Americanism?

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From Youngstown (Ohio) Vindicator, Dec. 28 -

PRIVATE PRICE CONTROL - Editorial - The sudden drop of 10 cents a pound for butter in the area which includes New York, Boston, and other eastern cities reveals a private price control practiced by one of the commercial groups which has been most insistent on ending government price controls and "returning to free markets."

Recently the Dairymen's League Co-operative Association, by its own admission, has been buying butter to keep up the price and prevent a drop in milk prices for January. This artificial support was kept up until the 25th; then when the January price of milk was safely fixed the buying was stopped, and the 10-cent break followed.

The dairymen say there is no law against such rigging--though to a layman it seems a violation of the antitrust law. In any case it is morally and economically wrong. And it shows that the country must watch some of the interests which demand an end of government controls so that the law of supply and demand can have free play, but then proceed to keep that law from operating by selfish private controls.

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From Concord (N.H.) Monitor, Jan. 2 -

IT'S UP TO CONGRESS - Editorial - The President's proclamation of an end to hostilities the last day of 1946 was timely and wise. The action means that the incoming Congress must face the problem of what our peace time policies are to be in many matters, rather than letting extraordinary emergency and wartime powers remain in the hands of the chief executive. That is as it should be.

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From Harrisburg (Pa.) News, Dec. 27 -

BURDEN LIFTED - Editorial - The recent ruling of Judge Hargest declaring invalid the license fees collected by the State for over 45 years from oleo-margarine dealers, climaxing years of controversy, was a most welcome holiday gift to dealers and the consuming public.

Back in October, this column alleged that "like most restraint of trade edicts, the oleo law has done more harm than good so far as the public is concerned."

Judge Hargest, in his decision held that the \$500 wholesale and \$100 retail fees imposed by the Act of 1901 "are unreasonable, confiscatory and discriminatory and constitute an illegal restraint of trade."

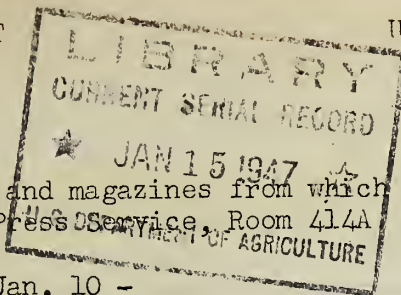
Thus another "special privilege" law is thrown out the window which is as it should be in this land of free enterprise. There's strong possibility that the freeing of the bonds on oleo will tend to send present butter prices skidding downward -- much to the relief and delight of the housewife.

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From Chicago Journal of Commerce, Dec. 28 -

WISE FARMER WILL SHY AWAY FROM NEW MOVE TO UP TARIFFS - Editorial - One of the easiest and quickest ways to find out how many kinds of economic illiterate you are is to question the present necessity of high tariffs to protect home industry and agriculture. In fact, it has become customary in some quarters to mark down as un-American anyone who supported the Hull program of progressive tariff reductions on a reciprocal basis.

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12D14 (The newspapers and magazines from which these agricultural items are taken are on file in Press Service, Room 414A Phone Gene Harrison at 6031.)

From New York Times, Jan. 10 -

WORLD FOOD GROUP MEETS WITH FAVOR-Washington-General agreement has been reached by the preparatory commission of the United Nations Food and Agriculture Organization on the formation of a World Food Council with executive powers, it was learned today.

The basic difference between the projected World Food Council and the Food and Agricultural Organization is the executive power of the new group. Moreover members of the major United Nations unit are considered "experts" and individuals from interested countries, whereas members of the council would be fully empowered by their Governments to represent them in executive action.

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LOWERING OF PRICE OF MILK IS OPPOSED-Washington-The Agriculture Department opening hearings today on the possibility of lowering milk prices in six north-eastern metropolitan milk sheds for the rest of January, excluded from consideration the butter based pricing formula which recently caused "price rigging" charges in New York.

However, many of the witnesses at the hearing, which was attended by about 400 producers and handlers and a few consumer representatives from New York, Boston, Philadelphia, Washington, Lowell and Fall River, spoke of a possible broadening of the pricing base, or substitution of calculations based on producers' costs.

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COMMODITY PRICES DROP 0.4% IN WEEK: FARM PRODUCTS AND FOOD DIP 1% TO OFFSET RISE IN OTHERS-Washington-Lower prices for farm products and foods more than offset advances for nonagricultural commodities to lower the general level of primary market prices 0.4 percent during the week ended on Jan. 4. This second consecutive weekly decline brought the index of commodity prices in primary markets, prepared by the Bureau of Labor Statistics, to 139.1 percent of the 1926 average, the same level as four weeks earlier and 30.2 percent above early January, 1946.

The decline of 1 percent in average market prices of farm products reflected lower quotations for grains, cotton, eggs and some fresh fruits and vegetables. On the average, prices for farm products were 1.8 percent below early December and 26.5 percent above a year ago.

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26% INCREASE SET FOR RAYON MILLS: SURVEY INDICATES 1,120,000,000 POUND OUTPUT BY END OF 1948-Rayon yarn and staple producers in the United States have a production capacity of 1,120,000,000 pounds by the end of 1948, a 26 percent increase over present operating capacity, it was predicted in a survey released yesterday by the Textile Economics Bureau, Inc.

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From New York Journal of Commerce, Jan. 10 -

NEW BOX CARS SOON DUE TO OFFSET LOSSES-The turning point in the country's box car supply is expected this month, but relief to shippers will not be immediate.

Deliveries of new cars to railroads will exceed the number of cars retired for the first time in months sometime during January and a beginning will be made to liquidating the nation's present 100,000 car shortage, Warren C. Kendall, chairman of the car service division of the Association of American Railroads, declared yesterday.

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LUMBERMEN URGED TO AVERT US CURBS-Memphis-Gordon R. Clapp, new chairman of the Tennessee Valley Authority told the Lumbermen's Club here that "the growing clamor for some system of timber conservation by Federal law" can be countered by private initiative.

But if owners of timberlands fail to use their resources wisely, he said, the day of regulation will be hastened and "another area of private enterprise will have lost its chance to bring private initiative and the public interest into a working partnership."

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FOOD MARKETING CHANGES HELD VITAL-Columbus-Existing practices in bringing food from farm to consumer should be subjected to a "challenging reexamination" in view of the "shocking" amount of food wasted annually in this country, two Ohio State University faculty members asserted today.

Professor Charles W. Hauck and W. I. Lenox of the OSU Rural Economic Department called attentions to estimates that "about one-fourth of the food we produce never is converted into human nourishment but is discarded or wasted somewhere along the line."

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MOLASSES CONTROL DECISION DELAYED-Washington-Molasses price and allocation controls will not be removed in the near future unless the Department of Agriculture can make a stronger case for decontrol than has so far been presented to the Office of Temporary Controls, it was learned today.

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From New York Herald Tribune, Jan. 10 -

U.S. LOSES ON CORN INSURANCE-Washington-Undersecretary of Agriculture Norris E. Dodd told Congress today that the government's experimental corn insurance program probably will have to be overhauled as a result of a loss of \$288,000 during the last two years. He added, however, that the department's trial insurance program on tobacco had been an outstanding success. In 1946, he said, the government got \$780,000 in premiums on \$17,500,000 worth of insurance, against losses of \$230,000.

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From St. Paul (Minn.) Dispatch, Jan. 1 -

FARM PRICE SLUMP PREDICTED - A prediction that farm prices will average 15 to 20 per cent. lower this year than in 1946, but that prices of livestock will hold up relatively better than the average for all farm products was made today by Norris K. Carnes, general manager of the Central Cooperative association in a New Year's statement.

"Many farm spokesmen now are frank in warning that a period of lower prices is on the way," Carnes said.

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From Evansville (Ind.) Courier, Jan. 4 -

WHEAT CROP KILLERS - Editorial - Wheat crop killers are on the job unusually early. Hubert Collins, an agricultural statistician, says there is Hessian fly infestation in the southern and eastern part of Kansas and also some evidence of rust. This is a cloud in the sky no bigger than a man's hand that can turn into an overcast of dense black. It is to be deplored that the joy of contemplation can not be undefiled. Wheat growers had been led to expect a big crop at whopping prices next summer. Now the thorn of doubt is prickling the flesh.

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From St. Louis Post-Dispatch, Jan. 2, -

"HOSTILITIES" ARE ENDED - Editorial - "Hostilities" ended by the President's decree with the old year, and with them a flock of emergency laws. Mr. Truman has speeded decontrol on the eve of the new Congress. This time his doing so seems well-conceived.

If for no other reason, the President's act might have been justified because it ends guaranteed high prices for farm products on Dec. 31, 1948, whereas a delay of only one day would have extended the guarantee a year longer. Agriculture must eventually decontrol like everything else, and give up its special favors. The price cushion will be costly enough without prolongation.

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From Chicago Tribune, Jan. 5 -

MEAT EXPORTS LOWER SINCE END OF CURBS. - Since controls ended October 15, the live stock and meat industry not only has rounded meat thru the regular trade channels and dried up the black markets, but has drained the pipes thru which the crop planners poured huge quantities of meat into foreign countries when they had control, a review disclosed yesterday.

Meat gifts to other countries almost were ended in the first month of the decontrolled trade. Many products instead were channeled thru legitimate trade to the American dinner table. In recent weeks meat exports have dropped almost to a trickle.

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From Asheville (N.C.) Citizen, Jan. 3 -

GOOD CAUSE - Editorial - Sizing up apparent Republican intentions for 1947, Senator Hoey warns he will fight any attempt to scrap or reduce the Federal government's soil conservation program.

Our senior senator's stance, we think, is well taken, and we are not alone in words of praise and encouragement. For neighboring, agricultural South Carolina the Anderson Independent offers: "The Senator comes from an agricultural region and he knows the benefits of the soil saving program. No doubt he will be joined by both South Carolina and Georgia Senators and solons from other farm states in the South."

Soil conservation as a fairly fixed policy replaced the Agricultural Adjustment Act when the AAA was outlawed in its original form by the Supreme Court. The results have been gratifying to the farmer and to that sentient part of the population which realizes that only a thin layer of topsoil separates America from farm poverty if not from wholesome famine.

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From Dayton (Ohio) News, Jan. 1 -

THE SOUTH BOLTS CORDELL HULL - Editorial - We do not know by what authority 11 southern commissioners of agriculture assume to speak for the people of the South or even for the farmers of the South in advocating a repudiation of the great policy by which Cordell Hull, when Secretary of State, hoped to build a foundation of international peace and incidentally to help southern agriculture.

The reciprocal trade treaties are a fundamental expression of the policy of the Democratic party; they are one of the most promising accomplishments of the Democratic administrations of recent years and so far as farmers are concerned, they are indorsed, we believe, by many of their most enlightened spokesmen.

What if the non-farming American people are unable, through lack of adequate income, to buy the full production of our farms? What if, in the world of peace, tariff barriers make it impossible for our industry to sell its products abroad? There then will ensue a loss of wages and of income that would be disastrous to the farmers by destroying the home capacity to buy.

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From Greenville (S.C.) News, Jan. 3 -

QUALITY FARMING - It is of considerable interest to note that while they wait for the revelation of the government's postwar policies on price supports and dealing with possible new surpluses the farmers are doing some thinking on their own account.

They recognize mechanization as a means of producing all their customers can buy in shorter working time than their forefathers would sanction.

But of special interest is the fact that farmers are turning their attention to the production of quality products and are thinking less of maximum output.

In an ideal agricultural economy the men on the soil will produce efficiently the highest quality products in the abundance required for their customers' needs.

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JAN 15 1947

(The newspapers and magazines from which these agricultural items are taken are on file in Press Service, Room 4124. Phone Gene Harrison at 6031.)

From New York Times, Jan. 13 -

PACE ASKS EARLY ACTION ON FARM SUBSIDIES: REP. PACE SAYS CONGRESS MUST MOVE IMMEDIATELY IF IT WOULD AVERT DEBACLE-Washington-Representative Stephen Pace, Democrat, of Georgia, said today that the new Congress must go to work immediately on a long-range program to support farm prices if it is to avert "an agricultural debacle worse even than in 1920."

He also said he expects Congress to give "sympathetic consideration" to his plan to raise the price floor under the six basic farm commodities to a full 90 percent of parity on a permanent basis. His bill, one of a score of more farm bills before the new Congress, would set the permanent support price for wheat, corn, cotton, tobacco, rice and peanuts at a full 90 percent of parity.

WHEAT SHORTAGE SEEN BY BROKERS: U.S. ESTIMATE OF FARM HOLDINGS ONLY 5 MILLION BUSHEL ABOVE LAST YEAR IS CITED-Chicago-The supply of feed grains in this country is more than ample to cover domestic and foreign needs, the Department of Agriculture reported last week. However, the possibility of a shortage of wheat later in the season is mentioned by brokers as a result of the department's estimate that farm holdings of 366,000,000 bushels on Jan. 1 were only 5,000,000 in excess of last year.

Some operators expect that the heavy exports contemplated under the Government program will make stocks at the end of the season much below the amount forecast a short time ago.

SURVEY FORECASTS MEAT SUPPLY RISE: 150 POUNDS FOR EACH PERSON IN U.S. LIVELY-FOOD TOTAL TO STAY AT TOP LEVELS-Washington-The Commerce Department said tonight that enough meat may be produced this year to provide every person in the U.S. with 150 pounds, more than at any time in the last thirty-five years.

This finding is contained in a broad analysis of industrial trends and trade prospects for the year ahead.

Food Supplies--There should be more butter, fish, fresh fruits and canned fruits and vegetables and juices than last year, and "prospects are that 1947 food supplies will continue at the record 1946 levels." No changes will be observable in supplies of chicken, turkey, condensed and evaporated milk, cheese, ice cream and dried skim milk. Supplies of eggs, fresh vegetables and total milk in all forms may be somewhat higher than in 1946.

LABOR AND FARM SPOKESMEN FIGHT TARIFF CUTS AS COMPETING AID-Washington-Matthew Woll, a vice president of the American Federation of Labor, spoke for America's Wage Earners' Protective Conference in calling for tariff rates "which really do equalize the differences in the labor costs--American and foreign--of competitive imports." The committee received a plea from Ralph W. Moore, in behalf of the Southern Agriculture Commissioners, that any extension of the trade agreements program which would interfere with markets for native crops be opposed.

From New York Herald Tribune, Jan. 13 -

ANDERSON SEES FOOD SURPLUS IF WORLD CAN'T BUY: HIS ANNUAL REPORT CITES 30% RISE OVER PREWAR U.S. FARM PRODUCTIVITY-Washington-Secretary of Agriculture Clinton P. Anderson predicted Saturday that agriculture's war-expanded production capacity may create new surpluses unless ways can be found to boost the world's buying power.

He said that under war demands, agriculture has gone through a technological revolution that already has lifted its productive ability 36 percent above pre-war levels.

"Quietly and gradually, yet with prodigious cumulative effect, American agriculture has accomplished a technological revolution...in less than a decade."

This picture of farming progress was painted in Mr. Anderson's annual report to President Truman.

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From New York Journal of Commerce, Jan. 13 -

SUGAR PRICE RISE NEAR-An advance in the base price of cane refined sugar from 8c to 8.20c is expected momentarily in view of the action taken by the United States in increasing the support prices to be paid on sugar beets. Further adjustments of about 5 points may develop also if consideration is given to a revision of package differentials.

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POTATO SUPPORT PLAN REVISION IS SOUGHT-Washington-Potato producers told Secretary of Agriculture Anderson yesterday that a "psychological jolt" might rip the sack off the nation's record-breaking potato crop.

Producers from late growing States said decision by the Department of Agriculture to remove the potato surplus from normal trade channels would provide a definite market stimulus.

Particularly, Anderson was asked to take up the lower grades of surplus potatoes, either through a loan or purchase program. This, producers said, should stabilize the market for the better grades.

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From Wall Street Journal, Jan. 13 -

BIGGER SUPPLY OF HIGH PROTEIN FEEDS THIS YEAR IS PREDICTED-Chicago-An increased supply of highprotein feeds during 1947 was predicted by the feed industry council.

The larger supply will be less than requirements, however, said the council. It estimated there will be some 10,593,000 tons of high protein feeds to meet an indicated demand for about 11,600,000 tons.

"This shortage will be taken care of by price," the council's report stated, "which will accurately reflect the relation between supply and demand and will not only cause a more careful use of protein by feeders, but will close the gap between the estimated demand and supply."

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From Chicago Journal of Commerce, Jan. 8 -

TRUMAN PLANS LEAVE FARM PROBLEM IN AIR - Washington - President Truman's failure to include specific proposals for a long term agricultural program left concrete solution of major farm problems as far away as ever.

The program advocated by the President was on the broad, general lines that have been accepted more or less by both major political parties. The specific methods of accomplishing high production and at the same time maintaining satisfactorily high prices, however, are not yet worked out either by the administration or by congressional leaders.

Department of Agriculture officials are anxious to get a long term program set up, but are equally anxious to get a program that will satisfy producers, processors and handlers alike and not cost too much. They are urging immediate submission by private authorities of their ideas on a permanent agriculture program to congressmen.

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From Watertown Daily Times, Jan. 6 -

THE DAIRYMEN'S LEAGUE ACTION - Editorial - The United States department of justice has filed what is known as criminal information against the Dairy-men's League Cooperative association charging that the League, in "supporting" the butter market, violated the commodity credits law. Not only will the League, itself, be tried but also its president and three members of its executive committee.

Whatever be the outcome of this case, one cannot defend from a moral standpoint such market manipulation. It is as repugnant to farmers as to anyone else. And it is another good reason why this inquiry into the price spread should be a thorough and painstaking one. It should not be delayed. Where did the League get this half million dollars it used for butter speculation?

Likewise study should be given to former Mayor F. H. LaGuardia's proposal that a new milk price formula should be worked out. The present formula encourages just this type of speculation. If it is practical to work out a new formula, based on cost of production, as LaGuardia suggests, it would not only be more equitable but it likewise would not be subject to this type of manipulation.

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From St. Louis Globe-Democrat, Jan. 4 -

EXPENSIVE BUNGLING - Editorial - Department of Agriculture officials have admitted that millions of bushels of frozen and rotten potatoes will be dumped by the government in the next few weeks. The cost to the government as the result of the legislation which underwrote the 1946 potato crop is estimated at approximately \$80,000,000.

A tragic commentary on this piece of legislative and administrative bungling is that the potatoes which might have been used to help feed the starving peoples of the world have been permitted to spoil. Millions of bushels were left in the fields to rot or freeze because of facilities for storage and because "the government is unable to find any practical outlets for them."

The trouble started when the 1946 crop turned out to be about 100,000,000 bushels greater than the Department of Agriculture planned. While the Department of Agriculture cannot be held responsible for Nature's unexpected productivity, it would seem that some good use could have been found for the surplus before it was permitted to spoil. There can be no valid excuse for such a waste of food during a time of world-wide scarcity.

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From Dallas (Texas) News, Jan. 4 -

YEAR OF PLENTY - Editorial - Whatever else 1947 brings, it is expected to give relief from most of the shortages that have plagued Americans for the last two years. Last year's bumper food crop has passed through the canneries and packing plants; and, with overseas relief shipments declining, consumers here will be able to choose from one of the biggest food stocks in the nation's history. This stage has almost been reached in cotton and woolen goods; warehouses are piled high with new supplies, and soon men can again become choosy in buying white shirts.

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From Great Falls (Mont.) Tribune, Jan. 2 -

THE HAWAIIAN SUGAR STATUS - Editorial - There are numerous reasons why the annual report of the Hawaiian Sugar Planters association is of particular interest to this sugar producing section of what the Hawaiians would call the mainland of the United States.

This report, issued recently, points out that "for 15 years before the war production of Hawaii's sugar plantations had been increasing steadily. The 1,000,000-ton mark was passed frequently, and only quota limitations held the output below 1,000,000 tons in other years." But manpower shortages, lack of field equipment, and other handicaps imposed by the war gradually reduced production until in 1945 the total amount of sugar turned out was 821,216. It is estimated that the 1946 production will show an increase over that figure of about 30,000 tons.

From the beginning of 1941 until the end of the war the total area of cane land under cultivation was reduced by slightly more than 22,000 acres. But the report adds that during the labor strike--which extended over a period of 79 days last summer--death and deterioration of sugar cane, because of lack of irrigation and cultivation, involved a much greater acreage than the wartime toll.

It is estimated that it will take from two to five years to bring the industry back to normal.

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From Macon (Ga.) Telegraph, Dec. 31 -

PARADOXES IN SUGAR CONTROL - Editorial - Secretary of Agriculture Anderson has accused a group of New York brokers of trying to kill all federal controls on sugar so they can corner the world's supply and drive prices up to 50 cents a pound or more.

Public sentiment is not in favor of any immediate relinquishment of federal controls over sugar, but it has to be admitted that the administration of these controls leaves much to be desired when we know that out in the West beet sugar lands have been planted in potatoes and in a specific instance 32,000 acres of growing sugar cane in the Florida area was plowed up by federal order while housewives continue to suffer from a sugar shortage.

We are told that the Everglades of Florida could alone produce enough sugar to supply all the people of the United States. We have spent millions of dollars in subsidies to stimulate the production of beet sugar in the West and then turn around and strangle that production.

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DAILY FARM NEWS DIGEST
(For Jan. 14, 1947)

URGENT JAN 14 1947

★ JAN 20 1947 ★

U.S. DEPARTMENT OF AGRICULTURE
OFFICE OF INFORMATION
Washington 25, D.C.

(The newspapers and magazines from which these agricultural items are taken are on file in Press Service, Room 414A. Phone Gene Harrison at 6031.)

From New York Times, Jan. 13 -

BUTTER SLUMPS TO 70 CENTS; DAIRYMEN ARRAIGNED, DENY VIOLATION - A drop of 7 cents in the retail price of butter today will bring it to 70 cents a pound in most of the chain stores in the metropolitan area. . . .

Yesterday's break, because of large supplies, in the wholesale market was the sharpest since Dec. 26, when butter dropped 10 cents a pound as a result of the cessation of buying by the Dairymen's League Cooperative Association. The league had maintained butter prices at an artificially high level by heavy buying in the pre-Christmas week to influence the price of January milk.

The league and four of its officials were arraigned yesterday before Federal Judge Alfred C. Cox on charges of having manipulated the butter market in violation of the Commodities Exchange Act. Pleas of not guilty were entered for all defendants, who were ordered to stand trial on Jan. 27. The maximum penalty is a \$10,000 fine and imprisonment for one year.

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WANTS CEILINGS OFF RICE; GATHINGS INTRODUCES BILL TO STOP DISCRIMINATION AGAINST GROWERS-Washington, (AP) - Representative E. C. Gathings, Democrat, of Arkansas, proposed today the immediate removal of rice from price controls, telling the House that rice farmers are being forced to pay "double taxation."

Introducing a resolution to remove price ceilings from rice, Representative Gathings said that the action would stop discrimination against American rice growers "for benefit of foreign peoples."

He added that ceilings on rice were retained to aid the Government's purchase program for overseas shipment. . . .

"As it is now, the rice farmer must forego a part of his profit and then pay an equal share of taxes for the purchase of this rice," he said.

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BIG GRAPEFRUIT SALE MADE TO THE BRITISH-Washington, (AP) - Sale of 20,000,000 Texas grapefruit for distribution throughout the British Isles was announced here today by Austin Anson of Harlington, Tex.

As manager of the Texas Fruit and Vegetable Growers Association, Mr. Anson said he entered into a contract with the British Food Mission for delivery of the fruit between now and Feb. 28.

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BIG BLACK MARKET IN SUGAR SMASHED-Albuquerque, N.M., (UP) - Federal officials said tonight that they had smashed "the largest sugar black market ring in United States history."

Everett M. Grantham, United States District Attorney, said a total of 1,044,000 pounds of sugar was involved and operations centered in the four-State area of New Mexico, Texas, Kansas and Colorado.

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From the New York Times, Jan. 14 (Cont.) -

BUTTER PRICE DROP CONTINUES IN CHICAGO-Chicago, (AP) - Wholesale butter prices on the Chicago Merchantile Exchange continued to decline today under pressure of heavy supplies. They dropped 1 1/2 to 2 cents a pound after slides of as much as 7 1/2 cents last week. The top grade sold at 66 1/2 cents a pound today.

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BUTTER SLASH IN SAN FRANCISCO-San Francisco, (AP) - Continued heavy supplies, light demand and weakness in Eastern markets resulted in Grade A butter selling at 72 cents a pound on the wholesale market here today.

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CATTLE JAM STOCKYARDS; RECORD RUN FOR MONTH IN KANSAS CITY LAID TO HIGH PRICES-Kansas City, (AP) - A record January run of 25,000 cattle jammed into the Kansas City stockyards today, attracted by high prices. Stockmen said the large receipts indicated a strong backlog of meat animals on the range.

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From the New York Wall Street Journal, Jan. 14 -

FOOD PRICE BREAKS are just beginning; mark mid-March or later for the big dip.

All signs point to a huge canned food pack this year. Spring and summer will see it rolling to market. Its mere approach will make costly canned goods shake on their shelves.

The supply of livestock feed is plentiful; the outlook for more to come is bright. Cows, pigs and hens are eating hearty. And they're eating cheaper. Bran, a basic barnyard edible, is a third less costly than a few weeks back. Corn is 40 cents a bushel under its 1946 peak. Cheaper feed means cheaper milk, butter, eggs and meat. And it means more of them. Per-person meat production in 1947 is indicated the highest in 35 years.

Wholesale food prices have dropped steadily in recent weeks.

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TRUMAN'S BUDGET allocation of \$330 million for support of agricultural prices in fiscal 1948 won't begin to take care of the "support" program to which the Government is committed. The statutory promise to keep key farm commodity prices at 90% of parity may cost half a billion dollars on wheat alone, some farm economists think. A general price slump could easily run the bill above the billion-dollars level.

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COTTON TRADE FEARS are fanned by the trend toward required fire-proofing of fabrics. What worries cotton men is that rayon and other synthetics can be given the treatment during manufacture. With cotton, a separate and probably more costly process would have to be added; cotton's competitive position might be weakened.

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From Watertown Daily Times, Jan 9 -

MILK PRICE FORMULA CHANGE IS EXPECTED - The New York Mercantile Exchange butter quotation will continue to figure prominently in the price farmers get for milk but the price formula will be changed to make it unlikely that another attempt will be made to manipulate the butter market.

In any event, farmers of the vast New York milkshed can expect the price for fluid milk to drop about 44 cents a hundred pounds Feb. 1 with further decline before June 1, in the opinion of Dr. Charles J. Blansford, New York market administrator.

Dr. Blansford told The Times today that "it is not necessary to go off the butter standard" as far as milk prices are concerned.

He asserted that an attempt will be made to prevent violent changes in the butter market having any effect on milk prices under a new pricing formula for milk.

In this event, dairy experts say, the incentive for "rigging" the butter market in the future to keep milk prices higher will be removed and this danger averted.

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From Jackson (Miss.) Clarion-Ledger, Jan. 4 -

WARNS THAT COTTON INSURANCE MAY BE ABANDONED THIS YEAR - Editorial - An Alabama agriculture official warns that unless Southern farmers manifest more interest, this may be the last year that government cotton insurance will be available to them.

The news story quotes records showing that only 114,270 cotton growers took insurance on their 1946 crop, on which payments for damages to the crop were about three times the amount of premiums paid by the cotton growers for the insurance.

"It appears that unless more cotton growers participate, insurance for them will be discontinued because of insufficient interest," P. O. Davis, extension director, Alabama Polytechnic Institute, is quoted as warning

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From Greenville (S.C) News, Jan 4 -

SUGAR BAGS - Editorial - It's no trouble at all nowadays for somebody to come up with another reason why the sugar shortage may continue through an indefinite period.

The latest reported obstacle to harvesting and distribution of a full sugar crop in 1947 is a shortage of sugar bags. Cuban Senator Frederico Fernandez Casas says the new crop, which has been started, is endangered by a shortage of eleven million jute bags which must be obtained from India. Without them he estimates that the Cuban crop might be reduced by 1.7 million tons.

Cuba sells most of its sugar to the United States which in turn sells it to other countries principally England and Canada. Cuba is therefore in poor position to press for bags from India and the island wants the United States to use its good offices with Britain in obtaining the necessary jute.

Just why the bags must be jute and whether or not some other type, cotton for instance, cannot be used is not explained.

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From Terre Haute (Ind.) Tribune and Star, Jan. 5 -

STORY OF THE POTATOES - Editorial - Whenever we hear of stores of food being allowed to spoil, there is a natural sense of resentment, and a feeling that "something is wrong somewhere." In this case like the farmers in the case of the little pigs which were destroyed, and in the case of the farms which were allowed to fallow, but still earned subsidy checks monthly, there are "extenuating" circumstances. The news of the spoiled potatoes will hardly make the potato raisers of Aristook, Maine, or of Palmer Valley, Idaho, very provoked. That is human nature.

Department of Agriculture officials have admitted that millions of bushels of frozen and rotten potatoes will be dumped by the government in the next few weeks. The cost to the government as the result of the legislation which underwrote the 1946 potato crop is estimated at approximately \$80,000,000.

A tragic commentary on this piece of legislation is that the potatoes which might have been used to help feed the starving peoples of the world have been permitted to spoil.

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From Minneapolis (Minn.) Star Journal, Jan. 4 -

CITRUS FRUIT SQUEEZE - Editorial - It looks as though citrus fruit growers are in for a rough time for some years to come. Production is expanding -- the bureau of agricultural economics predicts the 1937-41 average will be doubled in the next 20 years. And while the domestic market has greatly expanded in the past 20 years, it probably can't be pushed much further.

Expanded wartime demand for citrus fruits, including exports, served to mask the fundamental oversupply. Now, with that inflated wartime demand gone, with larger imports of fruit and increased domestic apple production, citrus fruits face increasing competition and the oversupply is readily apparent. The growers' honeymoon period of high prices is about over.

As a result citrus fruit producers are making great efforts to avoid the effects of inevitably falling prices. With the approval of the marketing division of the agriculture department, they have temporarily suspended shipments to market, hoping prices -- depressed by buyer resistance in addition to the oversupply -- will recover. Obviously this can be no more than a stopgap measure.

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From Saginaw (Mich.) News, Jan. 2 -

SUGAR-COATING - Editorial - Rep. Jenkins (R-Ohio), Chairman of the Republican congressional food committee, says American housewives have been getting the short end of the sugar deal. He has made a comprehensive report on the situation and reaches the conclusion that sugar rationing will end this year.

He attributes the sugar shortage to several factors. First, because of government meddling many thousands of acres normally producing sugar were planted to other crops. Nearly 2,000,000 tons of already short supplies were shipped abroad. Obsessed by the fear of a surplus, government officials manipulated production and exports until a shortage was created.

Housewives, because they were the easiest to handle and had no access to black markets, suffered most, Rep. Jenkins says. They will continue to suffer unless the sugar program is changed. It is time that sugar manipulators are informed the war is over.

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From New York Times, Jan. 15 -

FOOD INVESTIGATING SUBCOMMITTEE NAMED IN HOUSE-Washington-Clifford R. Hope, chairman of the House Agriculture Committee today named a seven-member food investigating subcommittee with Representative August Andresen, Minnesota Republican, as chairman.

Mr. Hope immediately set it to work investigating the sugar shortage in view of the imminent world allocations of the International Emergency Food Council.

The committee members named were: Representative Cliff Clevger, Republican, Ohio; Representative William S. Hill, Republican, Colorado; Representative Charles B. Hoeven, Republican, Iowa; Representative Stephen Pace Democrat, Georgia; Representative W. R. Poague, Democrat, Texas, and Representative E. C. Gathings, Democrat, of Arkansas.

Fats and oils will be the second subject to be taken up by the new Andresen subcommittee, Mr. Hope said. Its purpose was defined as "to investigate the food and agricultural production situation." It will replace the Anderson and Pace Committees of the last Congress.

Mr. Anderson said on the floor of the House that he estimated that per capita distribution of sugar for United States citizens can be increased by fifteen pounds for 1947 and that a 25 percent increase can be given industrial users.

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RETAIL PRICE DROPS ARE NEAR FOR POULTRY AND VEGETABLES-An oversupply of poultry, which has forced wholesale rates downward much faster than retail prices, gave promise to housewives yesterday of lower prices to come. Broilers and fryers, between 45 and 55 cents a pound at retail a few weeks ago, were 43 cents yesterday in chain stores and a few cents higher in most independent markets. The likelihood of further price reductions was admitted by retailers, who said current wholesale prices warranted a deeper cut in the cost of consumers.

This cheering news for housewives became known as butter stayed between 69 and 71 cents a pound in chain stores, despite an increase of $1\frac{1}{4}$ cents in the wholesale price in New York. Milk prices headed for a certain drop of 1 cent a quart and possibly 2 cents, on Feb. 1, and the produce trade foresaw an early reduction in fresh vegetable prices, which are now unseasonably high.

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PUERTO RICO SUGAR STRIKE OFF-San Juan-The threat of a strike that would have halted the harvest of a 1,000,000 ton Puerto Rican sugar crop ended today when management and labor signed a new contract affecting 137,000 field and mill workers. Field workers got a 59-cent-a-day increase over the 1946 wages while mill workers won a 56-cent-per day rise.

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From New York Times, Jan. 15 - (Continued)

FAT SHORTAGE AT 40%; SWIFT OFFICIAL REPORTS EUROPEAN SUPPLY SITUATION IS SERIOUS-Pittsburgh-George J. Stewart, vice president of Swift & Co. says there is a world fat shortage "estimated at 40 percent."

He reported that the supply of fats and oils available for United States consumption will be "about the same as last year." More would be available here, he explained, "if it were not for the serious supply situation in Europe and other parts of the world."

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From New York Journal of Commerce, Jan. 15 -

SENATOR BUTLER OPPOSES FARM TARIFF SLASH AS THREAT TO PRICE SUPPORT POLICY-Washington-Strongly opposing reduction of import duties on foreign agricultural commodities, Senator Hugh Butler, Republican of Nebr., today told the Committee for Reciprocity Information that such reductions would make it impossible to support United States farm prices at high levels.

If duties on farm products are reduced, "You will simply place the administrators on our farm programs on the horns of a dilemma," Senator Butler stated.

"They will either (1) have to impose quotas against imports, much more rigid form of trade regulation than a simple tariff; or (2) to attempt to maintain prices of farm products all over the world at the American level, or (3) abandon entirely the attempt to stabilize farm income in this country.

"We must not have two Government programs in operation which are in direct contradiction to each other," he asserted.

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BILL INTRODUCED TO END SUGAR CURBS-Washington-Representative Merron (Rep. N.H.) today introduced a bill to end rationing and price controls on sugar, and to create a commission to allocate the country's supplies.

Rationing and price controls would be abolished at once. A seven-member commission would distribute sugar now owned by the Government, and exports would be curbed in accordance with domestic needs.

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FOOD BROKERS URGE DECONTROL OF RICE TO END MALDISTRIBUTION-Atlantic City-Immediate removal of price controls covering rice to eliminate maldistribution was demanded today by the National Food Brokers' Association.

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FOOD RELIEF NEEDS SET AT BILLION IN '47-Lake Success, N.Y. (AP)-Twelve war-damaged countries were reported today to have informed the United Nations that they will need close to \$1,000,000,000 in emergency food relief during 1947.

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From Watertown Daily Times, Jan. 10 -

MILK OFFICIAL SCORES CONTROL; COBB ASSERTS FEDERAL AND STATE CONTROL IS 'COCKEYED' - Washington, (AP) - H. N. Cobb, chairman of the Pennsylvania milk control commission, declared today that "in my opinion federal and state control of milk prices is just plain cockeyed."

Testifying at an agricultural department hearing called to re-examine pricing formulas and federal milk marketing programs, to determine what the price of milk should be at this time, Cobb said:

"Instead of asking for more and more regulation -- both state and federal -- with respect to prices paid to producers for their milk, I think we should be asking for less and less."

"The more you submit to, and ask for in those regulations the worse off you are going to be," Cobb said.

"The consumer," he continued, "is the person who is going to finally determine what is to happen to the dairy industry. If you (producers) continue to ask for, and receive, present high prices you are only going to ruin yourselves."

He said the only determining factor in prices paid to producers should be cost of production plus a reasonable return.

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From Jacksonville Florida Times-Union, Jan. 7 -

TARIFFS URGED BY VEGETABLE MEN IN STATE - Orlando, (AP) - Tariff legislation to equalize foreign vegetable production and delivery costs to U. S. markets with those of domestic growers was urged by the Florida Vegetable Committee today in a brief submitted to the Committee for Reciprocity Information meeting in Washington.

Prepared by L. L. Chandler of Goulds, chairman of the FVC Foreign Competition Committee, and Manager Lamonte Graw of Orlando, the brief will be supplemented by additional testimony from Florida vegetable growers at oral hearings.

The FVC assailed low reciprocal tariff rates, particularly those with Mexico and Cuba, as providing unfair competition to domestic growers.

"The low duties are not increasing the purchasing power of foreign labor, but actually are enabling exploitation of their lower-paid workers," Graw explained.

As a result of this exploitation the FVC charged that the present reciprocal agreements defeat their principal aim of gaining the friendship of foreign labor by supposedly increasing their living standards.

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From Sacramento (Calif.) Bee, Jan. 4 -

FARM PRICE SUPPORT IS LIKELY TO BE CONTINUED - Editorial - It is something of a paradox that many of the congressmen who are most vocal in the demands for a free economy come from the farm states.

Free economy is one in which prices are permitted to find their own level in a competitive environment free from government interference, restrictions or support.

Yet in the field of farm prices, the farm bloc in congress already is preparing to make a major effort to continue the present system of government underwriting of prices as a permanent peace time policy in the United States.

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From Seattle (Wash.) Times, Jan. 5 -

WHEN PUBLIC INTEREST LAGS - Editorial - Concern of agricultural leaders over the annual loss of 1,500,000 tons of productive American soil by erosion is reflected by scientists attending the Northwest Scientific Association's meeting in Spokane, Washington. They fear a relaxation of the nation's soil conservation program because of waning public support.

Washington and Idaho should take note of this warning. Northwest states have suffered less from soil erosion than states farther east and south. But in the Eastern Washington and Idaho wheat country -- which produces more wheat per acre than any area in the nation -- soil erosion could become a dangerous enemy.

If public interest is lacking to maintain a continuous, effective national soil conservation program, we step up to proffer our support.

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From Portland, Oregon Journal, Jan. 3 -

WHY NO SUGAR? COULDN'T TRUST CANNERS - Editorial - A lot of home canners have complained about the way sugar is rationed. They saw 10 pounds of sugar allotted to every man, woman and child in the United States regardless of whether the individual ever put up a single can of fruit. They saw fruit spoil in the rural areas of Oregon, for example, because sugar could not be had in anything like sufficient amount to help preserve it.

Now, an extra sugar rationing stamp has become effective. Sugar rationing is continued as an exception among wartime laws nullified by President Truman's proclamation of the official end of hostilities.

Why were special sugar allotments not made for home canning? The Journal presented this question to Secretary of Agriculture Clinton P. Anderson. Secretary Anderson entrusted the answer to Lawrence Myers, assistant director of sugar branch of production and marketing administration.

People couldn't be trusted.

That, to put it briefly, is the answer. This New Year affords the home canners chance for their own resolution. Convince Uncle Sam they can be trusted after all. They are honest and honey people who in 999 instances out of every 1000 wouldn't fool anyone. They sincerely want to preserve foods and prevent spoilage as their valuable bit in this hungry world.

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From Macon (Ga.) Telegraph, Jan. 9 -

LUMBERMEN SHAP OUT OF HEADACHES - Editorial - In contrast with the setbacks suffered during the year in many lines of business, 1946 was a year of come-backs for the lumber industry, according to a review issued by the National Lumber Manufacturers Association.

In the earlier part of that period the industry was plagued by an assortment of difficulties, including labor troubles and price ceilings, but the lumber business shook itself free and instead of the 24 billion feet of production anticipated in April it ended the year with about 31 billion feet of lumber cut. Best of all, in many respects, we are told that the United States Forest Service has taught the lesson that trees should be treated as a crop economically harvested from year to year. Tree farms are increasing in number and range in size from 5 acres to 700,000 acres and according to the latest figures 13 million acres of tree farms are now being cultivated in 15 states with other states lining up every day.

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DAILY FARM NEWS DIGEST
(For January 16, 1947)

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CURRENT PERIODICAL RECORD
JAN 21 1947
U.S. DEPARTMENT OF AGRICULTURE
OFFICE OF INFORMATION
Washington 25, D.C.

(The newspapers and magazines from which these agricultural items are taken are on file in Press Service, Room 414A. Phone Gene Harrison at 6031.)

From New York Times, Jan. 16 -

FOOD, CLOTHING DUE FOR PRICE DECLINES-Washington-A "gradual but not precipitous" decline in the price of many food and clothing items over the next six months was forecast today by officials of the Department of Commerce.

The drop in food prices was expected to develop primarily in farm and dairy products, meats and canned and frozen fruits and vegetables.

A further weakening of butter prices was considered likely. Little change was expected in milk prices but eggs were expected to drop somewhat.

Some drop was looked for in the coming weeks in the prices of beef and pork, and a further decline in the autumn, accompanied by a drop in the prices of chickens and turkeys, was considered a good possibility.

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PLEADS FOR FARM LABOR: SENATOR AIKEN WARNS LIVING CONDITIONS MUST BE IMPROVED-Washington-Senator George D. Aiken, Republican, of Vermont, told the convention of the National Farm Labor Union, American Federation of Labor today that the wages and working and living conditions of agriculture labor must be improved.

Farm laborers always have worked for less than other people, he said, even though they work just as hard or even harder in 100 degree heat in the South to 15 degrees below zero in Vermont.

The Senator said that farm wages rose 3 percent between V-J Day and July 1, 1946, and therefore did not keep pace with the rise in nonagricultural wages.

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FARM WAGE RATES AVERAGE 10 PERCENT HIGHER-Washington-The Agriculture Department reported today that farm employment on Jan. 1 was 7 percent greater than a year ago and that farm wage rates averaged 10 percent higher.

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SUGAR LACK WEAKENS DEMAND FOR APPLES-Rochester-The increased competition of citrus fruits, which have jumped to first place on consumers' lists, is one of the most serious problems facing apple growers, the New York State Horticultural Society was told today.

Speaking at the society's ninety second annual convention which opened today, Gerow Schoonmaker of Wallkill, State president, declared the shortage of sugar and retail prices that were too high helped weaken last year's apple market.

All fruits except apples have made substantial gains among consumers, he said.

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From New York Journal of Commerce, Jan. 16 -

ROSIN EXPORTS CURBS LIFTED: BOOM SEEN-Washington-Removal of export controls on rosin and rosin intermediates, effective tomorrow, was announced by the Office of International Trade, Department of Commerce.

Lifting of all export controls on rosin will bring unprecedented foreign demand that will skyrocket New York prices for all grades to record highs of more than \$11 per 100 pounds in carlots, New York dealers in naval stores said yesterday.

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SUGAR OUTLOOK-Industry circles are heartened by Representative Andresen's indications that civilian sugar supply should be 6,955,000 tons this year, considerably above last year, but point out the crux of the situation is IEFC decision on allocations, due soon.

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From Wall Street Journal, Jan. 16 -

GREATER WESTERN BEET GROWERS TO GET BASIC PRICE OF \$14.50 A TON: HIGHEST MINIMUM EVER;-Denver-Beet sugar growers who supply Great Western Sugar Co. will receive a basic price of \$14.50 per ton for their beets in 1947. This is the highest guaranteed price in the history of the industry, Frank A. Kemp, president of the company, announced.

This is \$1 per ton more than growers were guaranteed in 1946 and \$2 higher than in 1944 and 1945. Mr. Kemp said that in view of tight world sugar conditions, grower returns may be above the minimum.

Growers will receive payments in addition to the minimum if the net return on beet sugar to the company exceeds \$7.25 per 100 pounds of sugar prices do not have to advance more than 5% above currently prevailing levels, Mr. Kemp said. He added the contract is better than was required of the company by the Government.

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From New York Herald Tribune, Jan. 16 -

COTTONSEED CRUSH DOWN IN LAST 5 MONTHS OF '46-Washington-The Census Bureau reported today that cottonseed crushed in the five-month period, Aug. 1 to Dec. 31 totaled 1,753,467 tons, compared with 1,922,507 tons in the corresponding period a year ago.

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CLOTHING MAKERS URGED TO GIVE BETTER VALUES-Clothing manufacturers were urged yesterday by Irwin D. Wolf, chairman of the vendors' relations committee of the National Retail Dry Goods Association, "to get back as rapidly as possible to a full money's worth in goods."

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From Watertown Daily Times, Jan. 13 -

FOREIGN TARIFF BOARD PROPOSED - Washington - A Republican proposal to create a foreign trade board with power to veto state department decisions on tariff cutting developed today from Senator Vandenberg's restatement of GOP international policy.

The Michigan senator told a Cleveland audience Saturday in his first speech since becoming chairman of the foreign relations committee he believes Congress will "continue the device of reciprocal trade agreements in one form or another."

Translating this into action, Senator Brewster (R-Me), told a reporter he and Vandenberg may join this week in introducing legislation to establish a six member board which could reject state department proposals to whittle tariffs under the reciprocal program.

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From Syracuse (N.Y.) Herald-Journal, Jan. 10 -

DAIRY LEADER CHARGES UNSCRUPULOUS MOVES - Unscrupulous practices in the marketing of milk was charged today by Frank E. Snyder of Liberty, Pa., dairy leader, as he addressed the state meeting of the American Dairy Association. "Too many people who have been associated with marketing in the milk business have been concerned with making money out of marketing of milk instead of marketing milk profitably," he asserted.

Snyder, as president of the Metropolitan Milk Producers' Bargaining Agency, speaks for more than 26,000 dairymen of Pennsylvania, New York, New Jersey and Vermont.

Calling for all-out support for the American Dairy Association, Snyder reminded the marketing efforts of individual dairymen are of little avail. The answer, he said, is for dairymen to unite their efforts on a national scale.

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From Jacksonville, Florida Times-Union, Jan. 12 -

A FIGHT OF KEEN INTEREST TO U.S. MILK CONSUMERS .. editorial - When the president of the New York Dairymen's League, the milk producers' marketing cooperative, spent \$561,757 for butter during five days in December in order to keep the price of milk at a high price through January, he started a fight that is likely to reach far beyond his own State.

Furthermore, he and his organization are now forced to exchange blows not only with the United States Government, but with the New York City Consumers Council. It is the latter, however, that is likely to cause the Dairymen's League the greater trouble in the matter of milk prices. Already the setto has brought on a milk price war, and a promised reduction of milk prices of one to two cents effective February 1.

Meanwhile milk dealers there say that the price war, which resulted in sales as only as preliminary skirmish to what is coming. In addition to cut slated for February 1 they are expecting further readjustments on March 1 and April 1.

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From Portland (Me.) Press Herald, Jan. 9 -

SPUDS TO ITALY - Editorial - Senator Brewster, champion of Maine potatoes and of their growers, may now pose as champion of the hungry Italians. Through his efforts, 7,500 tons of Maine spuds are to be shipped to Italian ports. The Commodity Credit Corporation is paying the bill. That is fine. The catch, if there is a catch, comes in the statement that these potatoes are to be a test shipment to determine whether this particular commodity can be shipped abroad without heavy loss from spoilage.

It seems a little curious that this point was not long ago determined. It seems curious, too, that the vast American talent for solving technical problems cannot be put to work to find a way of shipping potatoes overseas without spoilage.

Here is a vastly important project; on the one hand, millions of people in Europe more than half starving; on the other hand, millions of bushels of Maine potatoes going to waste for lack of people to eat them. Transportation can bridge that gap.

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From Louisville (Ky.) Courier-Journal, Jan. 10 -

NEW HORIZONS LOOM FOR KENTUCKY'S GOLDEN CROP - Editorial - Kentucky tobacco growers are driving to the heart of solutions for the problem of burley production and marketing. This was made plain at the tobacco conference of the Kentucky Farm Bureau Federation.

The problem is a very special problem. It involves so many things that there is no room to set them all down here. There is an apparent production in excess of demand. There is the traditional baffling and slapdash system of marketing, a buyers' system. There is a set of circumstances that admit but a trickles of burley into a world market now preempted largely by flue-cured tobacco. There is capricious grading. There is, above all, not yet enough organization by growers to take matters into their own hands, where they should be.

But the problem, which is the sum of many problems, can be cracked. This will take determination, intelligence, initiative and aggressiveness. Kentuckians have plenty of the first two, as was demonstrated here Wednesday afternoon. As to initiative and aggressiveness, there were signs that the farmers are ripe to try them. The most encouraging was a display of spirit to "do things for ourselves." We are badly mistaken if the advantage of growers' associations has not received a keener recognition.

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From Paterson (N.J.) Call, Jan. 11 -

URBAN TREND A WARNING - That American cities will continue to make population gains at the expense of rural areas is the inevitable conclusion that must be reached after reflecting upon the amazing progress of farm machinery, of which the new magical corn-picker is Exhibit No. 1. These farming robots in the year just passed are reported to have picked 75 percent of Nebraska's corn yield and still more remarkable 85 percent of Iowa's vast crop. The farmer who does not yet own a mechanical picker can now engage a commercial operator to reap his crop at a cost of seven to ten cents a bushel. A hand husker today is paid fifteen cents a bushel. And for time-saving the mechanical husker will do the work of ten men.

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A 25/4DAILY FARM NEWS DIGEST
(For January 17, 1947)

RECORD

JAN 23 1947 ☆

U.S. DEPARTMENT OF AGRICULTURE
OFFICE OF INFORMATION
Washington 25, D. C.

(The newspapers and magazines from which these agricultural items are taken are on file in Press Service, Room 414-A. Phone Gene Harrison at 6031.)

From New York Times, Jan. 17 -

SAGGING MILK PRICE TO BE PEGGED BY U.S. - Secretary of Agriculture Clinton Anderson will issue an emergency order pegging the farm price for February milk for the metropolitan area at \$5.02 a hundred pounds, it was learned yesterday. This means a drop of 44 cents below the present price.

By his action an even greater drop will be averted. Under the mandatory milk-pricing formula farmers would receive only \$4.80, or perhaps only \$4.58, compared with the present rate of \$5.46. But the formula will be suspended by the pegging order.

BUFFALO AND ROCHESTER WANT MILK AND BUTTER PRICES KEPT APART-Albany - Milk producer bargaining agencies in Buffalo and Rochester have petitioned the State Department of Agriculture and Markets to sever the connection between milk and butter prices for another year, it was disclosed today.

Commissioner of Agriculture Chester Du Mond announced today that there would be a hearing on the petition relating to milk prices in the Rochester market on Jan. 30 and on the Buffalo petition on Jan. 28.

In both areas the producer price for milk is \$5.40 a hundredweight, or a few cents below the price for fluid milk in the New York City market.

"RUNAWAY PRICES" - Editorial-The major decline in butter prices since the end of the year has featured a general decline in food prices. When the President announced the elimination of price controls for foods, and later for other products there were many predictions that "runaway prices" would inevitably develop. Many prices rose after the elimination of controls. But the instances which may be described as runaway prices have been conspicuous by their rarity. The wholesale price index prepared by the United States Bureau of Labor Statistics was 126.0 before the President made his announcement. The immediate increase of slightly more than 10 percent above that level was about in line with the rise that careful students of the price problem suggested would take place. The index has remained relatively unchanged since the end of November.

WHEAT RAIL PRIORITY OFF-Washington-AP-The Interstate Commerce Commission cancelled today its priority system for moving foreign relief wheat in the Northwest. As of midnight last night, the order requiring the railroads to supply shippers with a specific number of cars each week was canceled. Wheat produced in Oregon, Washington, Idaho and western Montana and destined for Pacific ports was affected. The ICC said the priority system no longer is needed.

From the Journal of Commerce, Jan. 17 -

GOP HOUSE BILL DEMANDS TRUMAN HOLD UP RECIPROCAL TRADE PARLEY-Washington-AP-The first move in the dominantly Republican Congress against the Democratic Administration's tariff-cutting powers--a cornerstone of its foreign policy--was started today by Representative Jenkins (Rep., Ohio).

He filed a resolution calling upon President Truman to postpone a scheduled 18-nation conference at Geneva in March to conclude reciprocal trade pacts.

In a tartly-worded statement, Jenkins contended the Administration had "speeded up" its reciprocal trade program since the Republican election victories in November in order to conclude them "before Congress can act in the matter."

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COTTON EXPORT SUBSIDY SCORED BY MILL INTERESTS AT HEARING-Washington-For the first time in its history American cotton mills are forced to ask tariff protection to offset cost disadvantages arising directly from Government policies, Percy S. Howe, Jr., chairman of the board, Cotton Textile Institute and president of the American Thread Co., told the Committee for Reciprocity Information at its hearings here today.

He declared he could not recall a situation in economic history where an industry is placed in a situation where it assists foreign competitors with a 4¢ a pound cotton export subsidy and then offers to negotiate lower duties on the products of the domestic industry for which our mills pay the higher raw material price.

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EARLY SUGAR PRICE RISE ANTICIPATED - Reports that the not-unexpected increase in cane sugar prices will be announced momentarily were circulated in the trade yesterday, but no confirmation from official sources was forthcoming.

With the Bureau of Labor Statistics cost-of-living index showing substantial gains during the last quarter of 1946, such an advance is routine under the Cuban sale contract, it was pointed out. Last week's boost in the beet sugar support level, in addition, was considered a fore-runner of such an increase.

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From the New York Times, Jan. 17 -

PRICES ADVANCE 0.6% FOR WEEK--Washington--Average primary market prices advanced 0.6 percent during the week ended on Jan. 11, according to the Bureau of Labor Statistics, United States Department of Labor.

Average market prices of farm products declined slightly (0.2 percent) with decreases for some livestock, poultry and fresh fruits and vegetables. The group index for farm products was 1.7 percent lower than a month earlier and 27.5 percent above the corresponding week of last year.

Food prices rose 1.1 percent during the week with increases in all groups except fruits and vegetables. On the average, food prices were 2.0 percent below mid-December and 46.9 percent above mid-January, 1946.

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From Chicago Journal of Commerce, Jan. 15 -

DISTILLERY ON WHEELS CHANGES SURPLUS FOOD CROPS INTO FUEL - New Orleans - How a portable distillery and a program of training smart young foreigners in the intricacies of transforming surplus farm products into fuel for machines can make friends and money for American business was told today by H. F. Wilkie, vice president in charge of production for Joseph E. Seagram & Sons, Inc.

Countries rich in agriculture but poor in fuel can solve the problem of motor power, he said, through Seagram's new "distillery on wheels, to be mounted on railway cars or trucks.

Development of continuous cooking, flash conversion and continuous fermentation for swift manufacture of alcohol now enables "the progressive farmer and the far sighted businessman" to transform surplus stocks of grain, fruit, potatoes and other carbohydrate crops into motor power, he added. An important application will be to permit farmers to use alcohol from surplus crops to run their tractors.

"For all those sections which are primarily agricultural, we are opening new opportunities for self-reliance and prosperity," the Seagram's executive said.

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From Davenport Democrat and Leader, Jan. 14 -

OLD TIME ISSUE RETURNS - Editorial - You didn't really think, did you, that the tariff had been finally taken out of politics? Immediately after the elections of last November, voices were raised all over the place demanding that Uncle Sam stop negotiating reciprocal trade agreements.

When the new Congress convened, the outcry against tariff reciprocity became louder. Not all of it came from Republicans, either. And more of the same is expected now that the State Department has opened hearings on new reciprocal agreements.

Under the renewal of the trade agreement authority voted by Congress in 1945, additional reductions of 50 per cent may be made in tariff schedules. President Roosevelt had told Congress in a special message of March 26, 1945, that much of the authority in the original act of 1934 had been used up, and that additional bargaining power was needed if trade wars were to be avoided after the war. Almost one-half of the Republican senators voted for the Administration proposal, but more than 80 per cent of the Republican Representatives voted against it.

The agreements on which hearings are now to be held represent the first to be negotiated under the new 50 per cent reduction power. They are to be with 18 countries. Under the law, this Government cannot negotiate on new agreements without giving all interested parties a chance to be heard.

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From Mobile (Ala.) Register, Jan. 7 -

VALUE OF A BALANCED PROGRAM - Editorial - We get the impression that the Greenville Advocate is all for diversified agriculture and a balanced agriculture and industry. Says the Advocate:

"A few years ago a cotton crop failure in Butler County would have meant that Santa Claus would have detoured around this county. This past cotton season was about as complete a failure as has been recorded, with only slightly more than three thousand bales ginned; but Santa Claus didn't seem to notice it. Diversification and a balanced agriculture-industrial program make the difference."

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From Bluefield (W.Va.) Telegraph, Jan. 8

WHY THE SUGAR FAMINE - Editorial - The congressional food study committee, headed by Congressman Thomas A. Jenkins of Ohio, has just made a report which lays the responsibility for the present sugar shortage directly at the feet of the Washington administration.

Two specific reasons are assigned for the shortage. First the complete disinterest on the part of the administration in encouraging domestic and Cuban sugar production during and following the war, and, second, the policy in Washington of continuing the shortage by pouring the nation's already short sugar supplies into foreign countries.

It is going to be a bitter pill for the patriotic American citizen to swallow when they learn that some of the sacrifices they made during and since the war were not at all necessary. Surely no sincere Americans ever begrudged the deprivations and the efforts they were justly called upon to make in the prosecution of the war, but the slowly unfolding tale of abject incompetence and disregard of the people's welfare on the part of the government quite understandably will make many suspect other things the nation was asked to do in the interests of winning the war.

It is to be hoped that the new congress which convened on Friday will not only ferret out such abuses of the patience and trust of the American people in their government, but will correct them.

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From Shreveport (La.) Times, Jan. 6 -

THROWN FOR A LOSS - Editorial - Economic planners are forever talking about the wisdom of their planning. They have never rendered a complete report to the American public on how many bites -- of what size -- they have taken out of the federal treasury.

Consider the agriculture department's little deal in potatoes in 1946.

Under wartime legislation, the department guaranteed farmers they would get at least 90 per cent of the parity price for their crop. The farmers went to work, the weather was kind, and the crop was about 100,000,000 bushels larger than the department expected.

So that meant a surplus, and potato prices tumbled. The department did some more economic planning and decided to buy large quantities of potatoes, so that there would be no surplus to hold prices down and widen the parity margin the department was obligated to pay.

Somewhere along the line, the department loaned money to growers -- at the guaranteed price figure -- and asked them to store their potatoes. The theory there was that the price would go up, and the department could sell the potatoes at a profit.

Well, the price didn't go up. The farmers didn't have very good facilities for storing their potatoes so now most of them have been frozen and aren't even fit for serving to the descendants of the pigs which survived the New Deal anti-abundance planning back in the 1930's.

The net result of the whole thing is that the federal treasury has been tapped for approximately \$80,000,000 by this potato planning. The farmers are pleased. But the taxpayers, they are just out \$80,000,000.

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DAILY FARM NEWS DIGEST U.S. DEPARTMENT OF AGRICULTURE
(For Jan. 20, 1947) OFFICE OF INFORMATION
Washington 25, D.C.

★ JAN 23 1947 ★

(The newspapers and magazines from which these agricultural items are taken are on file in Press Service, Room 414A. Phone Gene Harrison at 6031.)

From New York Journal of Commerce, Jan. 20 -

SPEEDY GOP TARIFF POLICY VITAL TO PARLEY-Washington-Republican leaders will have to reach definite decisions concerning the future of the United States foreign trade program before next April, when negotiations with foreign nations are scheduled to start, or there will be no point in the United States entering negotiations at all, a State Department spokesman warned today.

Repeated statements on Capitol Hill criticizing the program and seeking changes in it have already resulted "in a tendency of other countries to be reluctant to supply the State Department with information concerning concessions they may be willing to grant," the official said. Unless the United States can come forward at the trade meetings with a firm and definite program, other countries will be unwilling to negotiate, it was predicted.

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ANDERSON TO PRESENT FARM SUPPORT PLAN-Washington-Secretary of Agriculture Clinton Anderson notified Chairman Capper (Rep. Ken.) of the Senate Agriculture Committee over the week-end that he plans to appear before the committee Jan. 23 to discuss the present and probable future programs for agriculture price supports.

The committee last Wednesday invited Anderson to come before it to discuss agriculture problems and outline his views. Capper today called Anderson's office and issued a formal invitation to the Secretary to come before the committee at the earliest convenient date.

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SUGAR MELTINGS AHEAD OF YEAR AGO: RECEIPTS OF RAWSLAGUING-Meltings of raw sugars at all ports of the United States for the week ending January 11 totaled 57,184 long tons compared with 46,667 tons in the same week a year ago, according to Willett & Gray's statistical report.

These meltings brought the total since January 1 to 88,871 tons in comparison with 86,322 tons for the same period of 1946.

Receipts of raw for the week, according to this same authority, were 48,326 tons of Cuban raws and 8,384 tons domestic sugars, for a total of 57,710 tons. This brings total receipts since Jan. 1 to 68,531 tons compared with 85,339 tons for the same period of 1946.

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From Wall Street Journal, Jan 20 -

EASTERN POULTRYMEN OPEN DRIVE TO BOLSTER MARKET FOR BROILERS-Eastern chicken growers are campaigning to revive the dying broiler market. An oversupply of broilers in the Delaware, Maryland, Virginia area has trimmed prices about 50% since last September, when birds on the farm were bringing up to 51 cents a pound. Last week, buyers were able to get three pound broilers on farms in the area for about 20 cents a pound. A four point program to bolster the wobbling market was announced.

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From Wall Street Journal, Jan. 20 -

INTERNATIONAL HARVESTER PLANS NO GENERAL TRUCK PRICE RISE-Fort Wayne-The motor truck division of International Harvester Co. does not plan a general price increase on its 1947 models, W. C. Schumacher, general manager of the division, declared.

However, price adjustments will be made on some models. These will amount to an average advance of 5% on the entire line, and will be due to improvements and a broadening of standard equipment to include items previously classed as extras.

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From Baltimore Sun, Jan. 20 -

20 BASIC GROCERY ITEMS NOW LOWER: DECLINE IN LIST OF 46 IS LED BY PRICE OF BUTTER-With butter heading the list, twenty of 46 basic grocery items have declined since July 18--when prices reached their peak after OPA ceilings were removed--a survey here last week disclosed.

Of the 46 items, nineteen prices have risen, while one remained the same, and no July figures were available on six others.

Butter, which had a ceiling of 68 cents for 92-score grade in both the print and pound block, now is down to 68 cents for the latter and 71 cents a pound for the quarterprint.

On July 18, butter was 75 cents and 79 cents (if you could get it above the counter) and only last month, it sold between 90 and 96 cents.

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WHEAT SHIPS DIVERTED IN MID OCEAN TO ITALY-Rome-United States wheat ships steamed toward Italian ports tonight after having their destinations changed while in the mid-Atlantic to cope with Italian hunger.

The Allied Commission announced that as of January 12, Italy had a 33-day supply of basic cereals "if these can be distributed to deficiency areas," chiefly in southern Italy. Transport is scarce because fuel is short.

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From New York Herald Tribune, Jan. 20 -

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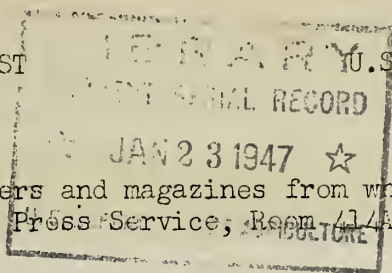
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914 DAILY FARM NEWS DIGEST
 12714 (For Jan. 20, 1947)



U.S. DEPARTMENT OF AGRICULTURE
 OFFICE OF INFORMATION
 Washington 25, D.C.

(The newspapers and magazines from which these agricultural items are taken are on file in Press Service, Room 414A. Phone Gene Harrison at 6031.)

From New York Journal of Commerce, Jan. 20 -

SPEEDY GOP TARIFF POLICY VITAL TO PARLEY-Washington-Republican leaders will have to reach definite decisions concerning the future of the United States foreign trade program before next April, when negotiations with foreign nations are scheduled to start, or there will be no point in the United States entering negotiations at all, a State Department spokesman warned today.

Repeated statements on Capitol Hill criticizing the program and seeking changes in it have already resulted "in a tendency of other countries to be reluctant to supply the State Department with information concerning concessions they may be willing to grant," the official said. Unless the United States can come forward at the trade meetings with a firm and definite program, other countries will be unwilling to negotiate, it was predicted.

ANDERSON TO PRESENT FARM SUPPORT PLAN-Washington-Secretary of Agriculture Clinton Anderson notified Chairman Capper (Rep. Ken.) of the Senate Agriculture Committee over the week-end that he plans to appear before the committee Jan. 23 to discuss the present and probable future programs for agriculture price supports.

The committee last Wednesday invited Anderson to come before it to discuss agriculture problems and outline his views. Capper today called Anderson's office and issued a formal invitation to the Secretary to come before the committee at the earliest convenient date.

SUGAR MELTINGS AHEAD OF YEAR AGO: RECEIPTS OF RAIS LAGGING-Meltings of raw sugars at all ports of the United States for the week ending January 11 totaled 57,184 long tons compared with 46,667 tons in the same week a year ago, according to Willett & Gray's statistical report.

These meltings brought the total since January 1 to 88,871 tons in comparison with 86,322 tons for the same period of 1946.

Receipts of raw for the week, according to this same authority, were 48,326 tons of Cuban raws and 8,384 tons domestic sugars, for a total of 57,710 tons. This brings total receipts since Jan. 1 to 68,531 tons compared with 85,339 tons for the same period of 1946.

From Wall Street Journal, Jan. 20 -

EASTERN POULTRYMEN OPEN DRIVE TO BOLSTER MARKET FOR BROILERS-Eastern chicken growers are campaigning to revive the dying broiler market. An oversupply of broilers in the Delaware, Maryland, Virginia area has trimmed prices about 50% since last September, when birds on the farm were bringing up to 51 cents a pound. Last week, buyers were able to get three pound broilers on farms in the area for about 20 cents a pound. A four point program to bolster the wobbling market was announced.

From Wall Street Journal, Jan. 20 -

INTERNATIONAL HARVESTER PLANS NO GENERAL TRUCK PRICE RISE-Fort Wayne-The motor truck division of International Harvester Co. does not plan a general price increase on its 1947 models, W. C. Schumacher, general manager of the division, declared.

However, price adjustments will be made on some models. These will amount to an average advance of 5% on the entire line, and will be due to improvements and a broadening of standard equipment to include items previously classed as extras.

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From Baltimore Sun, Jan. 20 -

20 BASIC GROCERY ITEMS NOW LOWER: DECLINE IN LIST OF 46 IS LED BY PRICE OF BUTTER-With butter heading the list, twenty of 46 basic grocery items have declined since July 18-when prices reached their peak after OPA ceilings were removed--a survey here last week disclosed.

Of the 46 items, nineteen prices have risen, while one remained the same, and no July figures were available on six others.

Butter, which had a ceiling of 68 cents for 92-score grade in both the print and pound block, now is down to 68 cents for the latter and 71 cents a pound for the quarterprint.

On July 18, butter was 75 cents and 79 cents (if you could get it above the counter) and only last month, it sold between 90 and 96 cents.

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WHEAT SHIPS DIVERTED IN MID OCEAN TO ITALY-Rome-United States wheat ships steamed toward Italian ports tonight after having their destinations changed while in the mid-Atlantic to cope with Italian hunger.

The Allied Commission announced that as of January 12, Italy had a 33-day supply of basic cereals "if these can be distributed to deficiency areas," chiefly in southern Italy. Transport is scarce because fuel is short.

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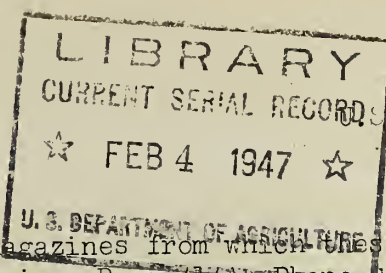
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DAILY FARM NEWS DIGEST
1. (For January 21, 1947)



DEPARTMENT OF AGRICULTURE
OFFICE OF INFORMATION
Washington 25, D.C.

(The newspapers and magazines from which these agricultural items are taken are on file in Press Service, Room 414A. Phone Gene Harrison at 6031.)

From The Wall Street Journal, Jan. 21 -

POTATO PRICE SUPPORT MAY SET A PATTERN FOR BOLSTERING OTHER FARM PRICES-
Last year, as potato prices sagged below 90% of "parity" the Agriculture Department plunged in and bought potatoes until it had them running out its ears. And it doled out about \$80 million of taxpayers' money. This year it will try a new tack. Instead of buying, it will let farmers sell to consumers--for whatever they can get. Then it will give the farmers cash payments covering the difference between what the potatoes sell for and 90% of parity.

If the system works with spuds, hint Agriculture Department officials, it may become standard procedure for supporting prices of agricultural staples next year.

WHEAT FARMERS MAY IGNORE ANDERSON'S PLEA FOR A BIG CUT IN SPRING PLANTINGS-
Spring wheat is grown in the Northwest, and the only principal alternative crop is flaxseed. That's the rub. Northwestern farmers are disgruntled over an Agriculture Department guarantee of only \$6 a bushel for flaxseed grown this year; they had expected a promise of at least \$7. (Flaxseed today brings \$7.25)

Growing flaxseed is a delicate, risky business. Crop losses may be heavy. Wholesale damage can be caused by insects or blight.

Possible ironic upshot: More unneeded wheat and less bitterly-needed flaxseed. Linseed oil (from flaxseed) will be in sore demand this year for paint.

SINKING SPELLS SMITE BASIC COMMODITY PRICES WITH GROWING PERSISTENCY.--The Dow-Jones futures index has dipped nearly 10% since mid-December. This index covering such key staples as cotton, grains, hides--reflects what informed buyers think commodities will be worth in months ahead.

It is significant that prices continue to skid on raw materials actually in "tight" supply. Weak grain prices might be tied to bumper 1946 crops and the prospect for more of the same this year. But this reasoning cannot be applied to cotton and butter.

The country's cotton supplies are expected to drop by next August to the lowest level in two decades. Yet something like \$10 a bale has been nipped from cotton's price since the first of last week. Cold storage stocks of butter (though production is rising) are still less than a fourth of the pre-war average. But about 35 cents a pound has been whacked from butter's retail price within a month.

The fundamental force behind weakening in many raw materials prices is the "petering out" of the inflation spiral.

From The Wall Street Journal, Jan. 21 -

CHEAPER EATING PROSPECTS GROW BRIGHTER DAY BY DAY-One of 1947's biggest price "busts" may well be in foods. Swelling stocks of canned goods on whole-sale and retail shelves speak an eloquent language. Many warehouses are bulging. Wholesaler stocks of all canned goods combined were 60% above a year ago on December 1. Canned vegetable stocks were up 52%, and fruit juice stocks were up 55%. Supplies of canned fruit showed the phenomenal gain of 190%.

Food prices are still 130% above mid 1939. They hit a like lofty level in post World War I 1920--then were slashed nearly a third in six months.

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MILK PRODUCTION-Milk production has passed its peak, say dairy experts. Output in Wisconsin (biggest producer) is turning downward, for the first time in five years. Tumbling prices on butter and cheese whittles down the demand for cows, too.

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FEWER TURKEYS-Fewer turkeys are in prospect for your 1947 Thanksgiving dinner. Discouraged over their luck in 1946, when feed prices jumped 20% without a corresponding increase in the prices of birds, growers plan to cut production to 34.5 million turkeys this year.

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From New York Times, Jan. 21 -

McCLINTOCK, NEW BOARD OF TRADE PRESIDENT, WILL SEEK TO GET U.S. 'OUT OF GRAIN BUSINESS'-Chicago-J. O. McClintock, new president of the Chicago Board of Trade, today termed the Government's present program of loans on farm commodities "a mischievous method of wealth transposition."

Speaking before the annual meeting of the board, Mr. McClintock said he would use his influence to "get the Government out of the grain business," maintain the "sanctity" of futures contracts and educate the public on the importance of free markets.

"If the Government wishes to support farm prices through the medium of loans to farmers," Mr. McClintock said, "then such loans should be fixed at a level aimed to prevent distress and not so high as to prevent board distribution of the commodity."

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FRENCH FLOAT LOAN IN LONDON ON WOOL: FUNDS TO FINANCE PURCHASES WITHIN THE BRITISH EMPIRE IN NEXT 12 MONTHS-Paris-Arrangements for a revolving credit of \$12,500,000 have been concluded through Lazard Brothers, Ltd., London, to finance French purchases of wool within the British Empire in the next twelve months, according to reliable advices received here.

This credit, which will benefit the whole French woollen textile industry is the first granted by private interests in London since the war and marks an important step toward restoration of normal economic relations.

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From New York Times, Jan. 19 -

SENATOR EASTLAND REPORTS BACKING IN TRADE-RECIPROCITY FIGHT - New Orleans - Senator James O. Eastland of Mississippi has plenty of backing in his contention that the Deep South, including agricultural leaders and workers, favors continuation of reciprocal trade agreements.

Challenging a statement by C. C. Hanson, secretary of the Association of Southern Commissioners of Agriculture that the commissioners were opposed to reciprocal treaties, Mr. Eastland insisted that Mr. Hanson could speak on this subject only for himself.

Mr. Eastland said that Si Corley, Commissioner of Agriculture for Mississippi, and Harry D. Wilson, Commissioner of Agriculture for Louisiana, agreed that their association had not considered the question.

Two meetings held here within the week indicate strong support by Southerners of movements to eliminate artificial trade barriers.

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From Watertown Daily times, Jan. 14 -

THE SUGAR FIASCO - Editorial - When the Times tried to get the Jan. 1st sugar stamp validated before Christmas, pointing to the extensive stocks of sugar in this section, Washington insisted that once the new sugar stamps were issued, these stocks would be exhausted. Well, the stamp became valid on Jan. 1st and most of the stamps in this section have already been "cashed." Yet, despite this, vast sugar reserves remain. In this city alone, there are 100 tons in the hands of the wholesalers without considering sugar held by retailers.

This bears out what we have said right along, that there is something "cock-eyed" about this sugar rationing system. What are our wholesalers and retailers going to do with this sugar in their possession? Under present ration rules, no new sugar stamp will be validated until April 1st and the sugar still keeps coming in.

This newspaper has never advocated taking off all sugar rationing at this time because it might result in a considerable advance in retail price. But that is what is going to happen unless Washington shows a more conciliatory attitude and faces facts.

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From Chicago Journal of Commerce, Jan. 17 -

POULTRY MEN GIVE SOME SOBER THOUGHT TO PARITY PROBLEMS - Editorial - Although comparatively little has been said about the matter outside their own circles, this column is advised that poultry and egg people are becoming more and more concerned about the probable effect of federal price guarantees upon their business. One authority said yesterday that if parity on eggs is maintained at too high a level relative to other produce "we are simply asking the consumer not to buy eggs."

Not everyone who raises poultry and sells eggs wants the price guarantees tossed out the window forthwith. But many poultry people would like to see the parity figure reduced from 90 to about 75 percent. And quite a few, especially among the commercial producers (who account for approximately 20 percent of total production), would like to see a completely free market as soon as possible.

The poultry committee of the American Farm Bureau Federation is interested in the problem. The consensus is that there will be no total bolt from whatever stand the federation takes, but it is encouraging to have a sign from the poultry and egg people that price guarantees aren't the unmix'd economic blessing they were once thought to be.

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From the Milwaukee Journal, Jan. 18 -

THE PRICE OF BUTTER - Editorial - The spectacular rise and fall in the price of butter in recent weeks is more than just an interesting item of news for Wisconsin.

To city people the apparent changes have been that the store price of a pound of butter went from about 54c, just before the ceiling and subsidy were removed, to about 97c a few weeks ago, and now is back down to a little over 70c.

The difference to the city family is important but not an overwhelming factor in its standard of living. To Wisconsin dairy farmers, the difference is going to be counted in dollars and hundreds of dollars. At the rate of present production, every cent of change in the price of butter represents \$1,250,000 annually to Wisconsin producers and several times that if the corresponding changes in other Wisconsin dairy products are taken into account.

Some dairy experts estimate that a 25c change in the price of butter will mean, on an annual basis, something more than \$1,500 in the net income of a dairy farmer with 20 average good cows -- a very impressive cash item to the ordinary Wisconsin dairy farmer.

Keeping these factors in mind, the thinking citizen of Wisconsin will realize some of the tremendous significance to him and his neighbors when the price of butter begins to skyrocket or toboggan.

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From Rockford (Ill.) Star, Jan. 14 -

THE DICTATOR HABIT - Editorial - Because of a riotous overproduction of potatoes last year, with the government losing heavily on its price guarantee to farmers, the department of agriculture is naturally looking for a means of avoiding overproduction of any 1947 crops slated for government price support. Restrictive rules have already been set up for two crops, potatoes and tobacco, but the precedent established could be applied to other farm commodities -- grains, cotton, oilseed.

Obviously, the question of constitutionality comes up. Can the department of agriculture, by decree, abrogate the right of a farmer to initiate a new farm enterprise? Or can it hedge the general guarantee of the Steagall amendment -- which underwrites production to the extent of 90 per cent of parity -- by specifying which farmers have a right to share in the support program and which shall be denied, even where these farmers previously raised supported crops?

The Steagall amendment may be an embarrassment; it may result in loss of tax money and in wasteful glut of certain crops; but the arbitrary decreeing of restrictions is not the proper way out. We do not want any new dictatorships in agriculture.

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From Dallas (Texas) News, Jan. 14 -

CROP SURPLUS THREAT - Editorial - Impending surpluses of crops and other farm products are beginning to worry Secretary of Agriculture Clinton P. Anderson, as well as the nation's grain dealers. Shortly the threatened surplus will worry America's farmers, who in this age of almost complete mechanization of crop production can easily raise twice as much as, or more than, the human and animal stomach can consume. It is high time for scientific research to step into the picture.

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DAILY FARM NEWS DIGEST
(For Jan. 22, 1947)

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Washington 25, D.C.

(The newspapers and magazines from which these agricultural items are taken are on file in Press Service, Room 4144. Phone Gene Harrison at 6031.)

From New York Times, Jan. 22

'TAKE ALL' POLICY FOR EXTRA SUGAR IS INDICATED AT HOUSE HEARING; 1,500,000 TON RISE IN CUBAN SUPPLY WOULD NOT BE SHARED WITH WORLD-Washington-A United States "take all" policy for an estimated 1,500,000 ton increase in 1946 Cuban sugar was indicated at hearings today by the new food investigation subcommittee of the House Committee on Agriculture. The State Department has urged a sharing of the increase with other countries.

The subcommittee chairman, August H. Andresen of Minnesota, said in a recess interview that he would try to pin Secretary of Agriculture Anderson down to the "take all" policy. He declared that it would mean to the individual United States consumer 35 to 40 pounds of sugar in 1947 as against 25 pounds in 1946 and for the industrial user an increase to 80 percent from 60 percent of the 1941 base period.

"My contention is that if we allow these other countries the same amount in tonnage as last year then the 1,500,000 ton increase should go to the American people," Mr. Andresen asserted.

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STEADY PRICE DROP SEEN BY FOOD MEN-Atlantic City-Food prices are going to curve steadily downward during coming months, a consensus of opinion gathered from executives of the various levels of the industry revealed today. Questions which have not yet been settled to the satisfaction of the 20,000 food men who are meeting in the several conventions here are how much more prices will slide before they level off, and who will have to bear the brunt of the loss.

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QUESTION FAIRNESS OF TAXES ON CIGARS: GRADUATED EXCISE RATES HELD HAZARD-Revision of present excise taxes on cigars was advocated last night at the tenth anniversary meeting of the Cigar Manufacturers Association of America, Inc., in the Waldorf-Astoria. It was pointed out that the principle of tax rates graduated according to intended retail price is not applied to any other tobacco product.

Charles E. Gage, head of the tobacco division of the Department of Agriculture, brought up the question as to the extent to which the step-up in tax rates applicable to the ascending scale of cigar classifications contributes to sluggishness in the recovery of the higher priced cigars, following periods of depression.

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BUTTER DROPS AGAIN: 65¢ IN CHAINS TODAY-Butter prices dropped another 2 cents a pound in the local wholesale market yesterday, with the result that today's price in most chain stores and some independent shops will be 65 cents a pound. A further decline was indicated, and much butter remained unsold at the close of the day's trading at the New York Mercantile Exchange.

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From New York Journal of Commerce, Jan. 22 -

U.S. SEEKS EXTENSION OF SUGAR CONTROL-Washington-The Department of Agriculture advised a Congressional committee it will ask for continued rationing and price control of sugar throughout this year.

James H. Marshall, head of the department's sugar branch, told the House Food Shortage Investigating Committee he hopes the sugar ration for individuals might be increased by 10 pounds this year and that industrial allotments might be raised for the last nine months from 60 to 80 percent of 1941 use.

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FARM PRICE SUPPORT LEVELS-Editorial-The Government is required by present law to support prices of basic farm products at 90 percent of parity until the end of next year. In the case of cotton, the support level is $92\frac{1}{2}$ percent of parity.

Although farm prices today still average more than 20 percent above parity a decline is expected as new crops reach market later this year.

The Government can contribute to the stability of agricultural prices by making loans to growers to check extreme price declines. But such loans to relieve distress should not be confused with fixing prices at high levels. A 100 percent of parity loan is purely a price fixing device that will prove costly to taxpayers, disruptive to business and injurious to farmers through curtailing consumption of their produce.

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From Wall Street Journal, Jan. 22 -

FATS, OILS SHORTAGE OF 1.6 BILLION POUNDS ESTIMATED FOR 1947-Washington-The U.S. will be 1.6 billion pounds short of the 10.7 billion pounds of fats and oils it could use in 1947.

This estimate by the Commerce Department means that supplies of shortening, margarine, soap supplies and drying oil this year will continue far below demand. The Department predicts a small increase in consumption of inedible fats and oils over 1946 but says general use will be 10% below prewar levels.

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COC STOPS BUYING WHEAT, BUT WON'T SAY FOR HOW LONG-Washington-The Commodity Credit Corp. has temporarily halted its purchases in the wheat market.

Agency officials declined to say how long it will stay out.

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PUNTA ALEGRE SUGAR PRODUCTION THIS YEAR EXPECTED TO TOP 1946-Two of the three mills of the Punta Alegre Sugar Corp. have started grinding on the 1947 sugar (Cuban) crop. Prospects are that the company will produce about 1 million bags of sugar this season if conditions are favorable. William C. Douglas, president, said. This would compare with 866,155 bags produced in 1946. He said Cuba is expected to realize a minimum price of 4.80 cents a pound.

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From Chicago Journal of Commerce, Jan. 18 -

SEERS' DEBACLE - Editorial - The Associated Press has made a round-up of recent evidences of declining prices. Wheat and cotton, cattle and oats, butter, eggs and poultry are involved in a monthlong downward trend.

One wonders what the Gloomy Guses are thinking of it -- the prophets of doom who threatened that the end of OPA would mean prices soaring out of sight. The soothsayers had better have another look at the tea leaves.

The wicked merchants who, freed from controls, were scheduled to boost food prices to stratospheric heights are still operating in the troposphere, held by consumer resistance. Increasing supplies are paralleled by decreasing figures on the price tags.

It's all pretty rough on members of the Prophets and Seers Union, Local 23, but if the boys and girls had read a few texts on economics instead of their dreambooks, they wouldn't have come a cropper.

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From Allentown (Pa.) Call, Jan. 15 -

SOMETHING COOKING IN SUGAR - Editorial - There appears to be some very definite program under way by which controls over sugar and rationing for the American people as to this important food will be brought to end within the next few months.

From various representatives in the trade come predictions to this effect and from one of them came a very helpful hint as to sugar scarcity. He noted that if enough sellers prefer to withhold their sugar from the market at present prices, "controls will probably become impractical." And he added: "Decontrol will give the United States more sugar."

So we get the helpful hint from authoritative source that sugar is not nearly so scarce as rationing would have us believe. If and when controls are ended or sugar prices are permitted to be raised, it would seem there will be enough sugar or at least a greater amount than presently is procurable. So price more than supply is at the bottom of the trouble. Hoarding in hope of such higher price appears to be admitted by this and other sugar men's statements.

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From Indianapolis (Ind.) News, Jan. 13 -

SOIL CONSERVATION SUBSIDIES - Editorial - The President's request in his budget message for reduced soil conservation subsidies does not mean that the national program for soil improvement is being abandoned or handstrung. The subsidies to which the president referred are those which were established in 1935, after the United States Supreme court held that the AAA crop control payments were unconstitutional.

In going over to payments for following prescribed methods of conserving the productivity of the soil, the AAA achieved the same subsidy purpose by methods which were approved as being helpful to the general welfare of the country. The payments were continued as a means of production control until the war demand for food strained farm production to the limit. They were then continued as production incentives.

The payments for 1947 have been approved under authority of an act of the last congress. The President asked that they be continued on a smaller scale in 1948. His request is in line with the country's pledge to the farmer to aid him in his reconversion problems.

The work of the soil conservation service, which is a different agency, and of state agencies having to do with proper care of soil, will be stimulated by the AAA reduction.

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From New Bedford (Mass.) Standard-Times, Jan. 15 -

MORE MEAT IN 1947 - Editorial - The Department of Commerce sees a prospect of enough meat in 1947 to allow each person 150 pounds a year -- more than has been available at any time in the last 35 years, the period for which figures on meat consumption are available. Besides meat, there will probably be more fish, butter, fresh and canned fruits and vegetables, more eggs, and at least as much poultry, cheese and canned milk as was available in 1946.

Eventually, Mr. Truman finally approved an OPA bill very like the one he had vetoed. Immediately meat appeared in the retail stores. Gradually production got into full swing, and now the Department of Commerce and the Department of Agriculture foresee more meat per capita than the American people ever have had.

As for Mr. Bowles' prophecy of multiplied black markets, there is now no black market in meats, where last June nearly all meat that reached consumers flowed through illegal channels. Today, as far as foods are concerned, about the only black market is in sugar, which is still controlled and rationed.

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From Columbia (S.C.) State, Jan. 14 -

TWO CROPS AGAINST ONE - Anyone with a memory can see the change that has been taking place in the agriculture of South Carolina for sometime--fundamental change. The switch from much hand labor to much mechanization is apparent. Yes, we see these heartening things as we go about. Our moderate climate and fairly heavy rainfall have their rewards and their penalties. And for a long time we suffered more from the latter in leaching and erosion than we profited from the former by applying its advantages.

But late years are seeing a reversal.

Saving methods are holding soil, and continuous growing things and sods on much land are reducing fertility loss (through leaching) to a minimum.

Our distinct advantage over much of the rest of the country in being able to harvest two crops from the same land in a year is also growing in favor.

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From Jamestown (N.Y.) Post-Journal, Jan. 14 -

THE FARM PROGRAM - The modest decline in food prices which indicates that they now are on the downhill side of the economic roller coaster is a development welcomed by consumers who have seen the family table soak up 43 per cent of 1946 income compared with 36 per cent in the pre-war years.

The joy will be dimmed, however, as the farm price support program to which the government is committed through 1948 begins taking additional chunks of tax money such as the \$80,000,000 which was poured into the potato price support program in 1946.

That's right, \$80,000,000 spent in 1946 for potatoes we did not eat; which, in some cases, were not even harvested. Potato producers overshot demand with production and as the price went below parity, the government was forced to step into the market and keep the price up.

The adventure in potato price supporting may not be repeated too many times, because acreage and marketing quotas will be restored to keep production in line with demand. Termination of all farm programs is impossible now, and probably is not desirable.

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(The newspapers and magazines from which these agricultural items are taken are on file in Press Service, Room 414A. Phone Gene Harrison at 6031)

From New York Times, Jan. 23 -

HIGHER FARM GOALS URGED BY ANDERSON-Washington-Secretary of Agriculture Clinton P. Anderson today pleaded for high 1947 farm goals because he expects high export demands. He testified today at the House Agriculture Committee inquiry into the two year Steagall price support program.

Pointing out that the purpose of supporting farm prices for two years after the war was to ease American agriculture into a peacetime economy, Chairman Clifford R. Hope, Republican, of Kansas asked Mr. Anderson if there were not "an element of inconsistency" in increasing over-all goals "when demand is less and we will have to use price support."

The 1947 over-all goal is for 356,893,000 acres as against 345,111,000 planted last year and a prewar average (1937-41) of 341,605,000.

"The world is still short of feed grains and oils. That is why they were kept high," Mr. Anderson replied. He told of how for two succeeding years export estimates had doubled on wheat, adding:

"The American farmer is not losing at \$2 a bushel for export. We want to keep that market."

Secretary Anderson also told the committee that the farmer has a right to an early answer as to what to expect from his Government when price support ends on Dec. 31, 1948.

He urged "farm legislation for the future as soon as possible." He said he did not consider price support the answer and hoped that "good land use plus export" might permit return to supply and demand.

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DEWEY BIDS FARMS BAR PRICE TRICKERY; ASSERTS MARKET TREND CAN BE OFFSET BY MORE EFFICIENCY, LOWER DISTRIBUTION COST-Albany-In a speech before the State Agricultural Society, Governor Dewey declared today that means must be found to prevent farm living standards from tobogganing with the decline in food prices now getting under way.

He suggested that the problem should be attacked from three angles. Efforts should be made to increase efficiency in production, to cut down the cost of distribution and to eliminate unnecessary marketing charges, he said.

Warning against practices that keep up the price of food artificially, he declared that they eventually react to the farmers' disadvantage.

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FOOD LINES WARNED FREE RIDE IS OVER-Atlantic City-The free ride which the food industry has been enjoying has come to an abrupt stop, Clarence Francis, chairman of the board of General Foods Corporation, told a meeting of the National American Wholesale Grocers' Association here yesterday. The industry is now back in a tough competitive situation, he stated, where efficiency will determine who succeeds and who fails in a period of declining prices.

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From New York Journal of Commerce, Jan. 23 -

FUTURES TRADE POLICING ORDERED-Washington-Secretary of Agriculture Anderson tonight acted to place the nation's commodity futures markets under governmental surveillance because of a growing volume of trading.

He announced that the Commodity Exchange Authority, which is charged with policing these markets, will be freed of its other regulatory tasks so that it can give full time to the job. The change is effective Feb. 1.

Anderson said the Sharp October break in cotton prices and recent charges of alleged manipulation of butter prices in New York point to the "immediate responsibility for the futures markets."

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NEW SUGAR CASE-A Federal judge rules that OPA's "historical use" base for rationing sugar to industrial users is invalid. Following this announcement, trade interests who on the previous day were inclined to agree that rationing and price controls would be continued are inclined to view March 31 as deadline. They feel that Congress will not extend a law which has been declared invalid.

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FATS, OILS PRICE DROP IN FALL SEEN-A general decline in price of fats and oils can be expected when the results of the new crop, which starts next October, are reasonably definite, Charles E. Lund, chief of the foodstuffs division Office International Trade, forecast yesterday.

Soap prices, on the other hand, are not likely to come down until more soap fats, particularly coconut oil, are available to soap manufacturers, he said.

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From The Wall Street Journal, Jan. 23 -

$\frac{1}{2}$ RETAIL BUTTER PRICES in chain stores of the New York City area will drop to 63 cents a pound today. This is a decline of four cents since the start of the week. It compares with the former O.P.A. ceiling price of 67 cents. Wholesale butter prices broke $1\frac{1}{4}$ to 2 cents a pound yesterday.

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OLEOMARGARINE FOLLOWS BUTTER IN LOWER TREND-Declining butter prices are affecting sales of oleomargarine in New York City.

Retailers are cutting prices in an attempt to prevent margarine from backing up in stores.

Average oleo price here is about 43 cents a pound.

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From Saginaw (Mich.) News, Jan. 11, -

SUGAR'S SOUR NOTE - Editorial - Rep. Fred L. Crawford is urging decontrol of sugar prices to encourage increased domestic supplies. Samuel E. Symons, secretary of the Symond Bros. wholesale firm, warns that decontrol will "sky-rocket prices" on 1,000 food items. The Food Industry Council Sugar Committee in its November, 1946, analysis declared: "Decontrol under present conditions would be diastrous," and recommended extension of price control and rationing beyond the March 31 expiration date.

Sugar spokesmen blame the shortage on allocation of the domestic market to offshore producers -- Cuba, Hawaii, Puerto Rico, the Philippines -- and agreements to share supplies with other nations.

The ramifications of U. S. deals to control imports and encourage domestic production through costly government protectivism are hopelessly entangled, or nearly so, because of bungling policies and terrific pressures applied in Washington. Sugar is more than a commodity. It is a pawn in the ruthless game of power politics.

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From Detroit (Mich.) News, Jan. 14 -

OTHERS HAVE NONE - Editorial - Secretary Anderson's advice to the nation to lay off the sugar issue and remember that we do not own Cuba, and have no monopoly on its sugar market, is well given.

The squawk over sugar is one of the most shameful aspects of our inability to make the necessary adjustment to the present world situation. Every other nation which is now dipping into the Cuban sugar barrel has a need many times greater than our own.

Sugar is an important commodity, but the real sweetness of life comes of a willingness to let the less fortunate brother get an occasional break.

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From Sioux Falls (S.D.) Argus-Leader, Jan. 15 -

FARMERS UNION HITS ANDERSON'S ACTION - Mitchell (AP) Secretary of Agriculture Clinton P. Anderson's interpretation of the Steagall amendment, by which the government is pledged to support the price of farm products at not less than 90 per cent of parity, was denounced here today at the South Dakota Farmers Union mid-winter workshop.

In a resolution which President Oskar Fosheim said was passed unanimously, the group declared that Anderson's action has the effect of allowing 10 cent egg prices without support if the national average price exceeds 90 per cent of parity and two cent hog prices.

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From Boston Christian Science Monitor, Jan. 16 -

NEED OF MARKETS BACKS TRADE POLICY - Impending agricultural surpluses and the need for future foreign markets for its burgeoning industrial production convince most of the Far West that it must support extension of reciprocal trade agreements now planned by the State Department. California farmers are visibly interested in the action which the Republican Congress may take on world trade, and spearhead organizations already have taken a stand against a return to the old forms of economic welfare and bilateral tariff agreements.

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From Jacksonville Florida Times-Union, Jan. 18 -

FALLING COMMODITY PRICES POSE NEW DANGER FOR U. S. - Editorial - Tumbling prices of food, clothing and certain raw materials tend to substantiate the claims made by opponents of the OPA. Their argument was, when they were lambasting activities of that agency of the Government, that if the price controls were removed and the law of supply and demand allowed to take its course the result would be a readjustment of permanency.

The further argument was that following the removal of the controls prices would increase for a short time, and then begin a downward trend that would carry them to a permanent level more in keeping with pre-war conditions.

Now it is becoming more obvious with every day's commodity-market transactions that the arguments of the opponents of OPA were well founded. Prices are still considerably higher than in the pre-war days, but they continue downward. So precipitate is the drop in some instances that a grave danger is developing of a too rapid deflationary movement.

One angle to the current drop in prices, which must be attributed almost wholly to resistance by the American housewife, is the effect on the demand for essentials. The inclination during a period of declines is to wait for the prices to reach what the consumers believe is a permanent level.

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From Greenville (S.C.) News, Jan. 12 -

FOR THE "SURPLUS" FARMERS - Editorial - Southern people may find some food for thought in President Truman's views as to what should be done to solve our agricultural problems of the fairly near future.

In his budget message, along with his financial recommendations on price support, Mr. Truman said: "we should facilitate the transfer of unnecessary farm labor and resources from agriculture to industrial and other pursuits.

One basic solution lies in greater decentralization of industry; and the South is an area most favorable for such a program.

Progress in increasing agricultural efficiency doesn't necessarily mean that the human labor which is no longer needed for full-time work must leave the farm and move to some densely populated industrial or commercial area. It will contribute to national stability and more satisfactory economic growth if these citizens can continue to keep their feet on the soil. And the South is an ideal region, from many standpoints, as the home of such a program of decentralizing large industry.

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From Richmond (Va.) Times-Dispatch, Jan. 16 -

ADJUSTMENT OF PRICES PREDICTED - Editorial - Live broiler prices on Virginia, Delaware and Maryland farms, where one-third of the commercial broilers used in the United States are raised, have dropped to 22 cents per pound. Last September those poultry farmers were getting as much as 51 cents per pound.

Butter prices on the New York market have dropped to around 66 cents per pound, and are expected to drop to 60 cents in Chicago by Spring.

Not only food but commodity prices in general are poised for a long delayed postwar adjustment. High prices paid for record volumes of retail sales during the holiday buying splurge seem to have drained off much available cash.

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DAILY FARM NEWS DIGEST
(For January 24, 1947)

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(The newspapers and magazines from which these agricultural items are taken are on file in Press Service, Room 414A. Phone Gene Harrison at 6031)

From New York Times, Jan. 24 -

ANDERSON ORDERS DUMPING POTATOES-Washington-Secretary of Agriculture Clinton P. Anderson cleared the potato market today of its huge price-depressing surplus by a departmental order to dump all low-grade or deteriorating potatoes stored under the price support program.

The action followed two days of testimony on Capitol Hill before both House and Senate Agriculture Committees on the potato surplus in particular, price supports in general and the need for a long range national program to take over when the Steagall Act supports end on Dec. 31, 1948.

The estimate was that 20,000,000 bushels would be dumped and that 25,000,000 bushels more might go into non-commercial uses. The department said that if no market could be found for all good-quality potatoes from the 1946 crop before farm work starts in the spring they would be dumped too.

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IDAHOAN HAILS DUMPING-Washington-Senator Glen H. Taylor, Democrat, of Idaho, today commended the potato dumping program announced by Secretary Anderson.

"Measures for improvement of the potato support program which have been worked out by Secretary Anderson appear to meet the principal requests I have made on behalf of the potato industry in Idaho," he said. "The pledge of the Secretary that support prices will be fully maintained is most heartening."

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TRUMAN TO MOVE FOR SOME CONTROLS: SUGAR LISTED FOR CONTINUED REGULATION-Washington-President Truman is preparing for transmission to Congress next week a message on priority and allocation powers recommended for retention beyond March 31, the expiration date of the Second War Powers Act.

Of primary interest to consumers in the act, which establishes governmental authority to maintain priorities and allocations on raw materials and end products, is the Government's power to ration sugar. It was held certain that Mr. Truman would request continued authority to allocate sugar stocks.

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GROCERS OPPOSE SUGAR DECONTROL-Atlantic City-Opposition to the decontrol of sugar at this time, careful attention to the problems of installment selling and distribution of frozen foods were highlighted in resolutions passed by the National-American Wholesale Grocers Association in the final session of the 1947 convention today.

Abnormal supply, demand and price conditions will continue during the year, leaders of the industry pointed out. Among the resolutions agreed upon were:

Sugar. Opposition to efforts being made to decontrol sugar at this time. It is urged that rationing and price controls be maintained for at least the periods specified by existing Federal statutes.

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From The Baltimore Sun, Jan. 24 -

SHOWDOWN NEAR ON SUGAR; SENATOR TAFT, SECRETARY ANDERSON TAKE HAND-Washington-The problem of what to do about sugar moved closer to a showdown today with Senator Taft (R., Ohio) and Clinton P. Anderson, Agriculture Secretary taking a hand in a situation rendered increasingly acute by yesterday's court decision against OPA's rationing system for industrial users.

Today Senator Taft, chairman of the Senate Republican Policy Committee, expressed belief that it would be necessary to extend the Government's control authority.

Meanwhile, Secretary Anderson told the Senate Agriculture Committee the retail price of sugar would amount to 40 cents a pound if controls were removed, and urged that both price controls and rationing be continued until supplies can meet demands. Present price ceiling is 8.2 cents a pound.

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FARM BENEFIT CUT REVEALED-ANDERSON SAYS TRUMAN LOPPED 100 MILLIONS FROM PROGRAM-Clinton P. Anderson, Secretary of Agriculture, reluctantly acknowledged at a Senate hearing today that President Truman lopped \$100,000,000 off the \$300,000,000 sought by his department for farm benefit payments in the next fiscal year.

Two mid-West senators assured Anderson, however, that they are willing to spend \$1,000,000,000 or more if necessary to maintain farm income at a fair level.

"Even if it costs a billion it would be a cheap price" said Senator Young (R. N.D.).

Senator Lucas (D.Ill.) said he agreed with Young because "if agriculture goes down, everything goes with it."

Lucas said Congress should keep this in mind in planning to slash Government outlays and cut income taxes.

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From New York Journal of Commerce, Jan. 24 -

GOOD CROP EXPORTS DUE DURING NEXT FEW YEARS, SAYS SECRETARY ANDERSON-Secretary of Agriculture Anderson said yesterday that there would be a good market abroad for wheat, cotton and other United States farm products for the next few years even if the reciprocal trade pact program were dropped.

He told the Senate Agriculture Committee that the outlook was particularly good for dairy products, since Denmark and other normally large producers must rebuild herds destroyed in the war.

The Secretary also said that he had received reports that the winter wheat crop in France had been damaged, necessitating further heavy imports by that country.

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CUBA ASSURED OF 4.935¢ a lb. ON RECORD 1947 SUGAR CROP-The cost of living index change in December and the recent increase in ceiling prices for sugar will assure Cuba a price on its record 1947 crop of 4.935¢.

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From Minneapolis (Minn.) Tribune, Jan. 15 -

FARM EXPORT BILL OFFERED; HAGEN HAS PLAN TO END SURPLUS PROBLEM -
Washington -- Rep. Harold C. Hagen of Crookston, Tuesday renewed the long fight of midwestern congressmen for a plan to develop farm surplus export outlets without wrecking American industry through competitive foreign imports.

Hagen introduced a bill to create an 11-member surplus exchange board which would: Provide the machinery for exporting surplus farm commodities; authorize foreign industrial countries to send reciprocal imports into this country but in such quantities and varieties that no single American industry would be faced with damaging competition from abroad.

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From Hartford (Conn.) Times, Jan. 20 -

SNOW MEANS MORE BREAD - Editorial - In the vast winter wheat belt in the Midwest the timely and ample snowfall has further augmented the favorable prospects for another bumper wheat crop. That outlook suggests various comments. It means there will be lower wheat and bread prices. There may be a wheat surplus and financial unpleasantness for the grower. But, in the broad view, the idea of plenty of wheat for plenty of bread for the peoples of the earth is a happy thought.

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From St. Louis Post-Dispatch, Jan. 18 -

TWO KINDS OF PLUMS - Editorial - Labor Magnate Matthew Woll contends that the reciprocal trade agreements have not promoted employment for American workmen. The Southern Association of Agriculture Commissioners (of all people) recently took it upon themselves to say the same thing on behalf of farmers. Put the two together, and there is the sad fairy tale of the high tariff.

Protectionist farmers want a high-priced domestic food monopoly, but would be delighted to throw the gates wide for cheap foreign manufactures. Protectionist laborites and industrialist want to swell wages and profits by keeping out the cheaper product of foreign competitors, but would at the same time be delighted to eat cheap imported food and drink the same Scotch at a lower price. Each group always thinks it can wangle its own tariff sky-high but leave every other rate low.

When the tariff-raising logrolling is all over, it turns out that everybody with a strong lobby it protected to the hilt. So labor exchanges for about the same amount of manufactures, manufactures for about the same amount of food and labor. Nobody has gained. Everybody has lost -- and is outraged to find that foreigners won't buy our stuff because we have quit buying theirs.

Staring at a plum that is too close to the nose crosses the eyes.

Mr. Woll's habit of vision needs correction. The same for the agriculture commissioners and others of a like mind.

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From Kalamazoo (Mich.) Gazette, Jan. 16 -

PREDICTS SEEDLESS VARIETIES OF MORE FRUIT NEAR AT HAND - East Lansing -- Seedless varieties of apples, peaches, pears, plums and cherries may be just around the corner, in the opinion of Dr. H. B. Tukey, Michigan State College, chief of horticulture.

Bigger, better and sweeter fruit will be the result soon as plant breeders succeed in developing seedless varieties, he said. Seedless varieties of oranges and grapefruit have been developed, it was pointed out, and they are sweeter than the seeded kinds.

Dr. Tukey said the embryo in the seed pits have first claim on the plant food supplies by the trees. If there were no seeds and pits, he said all the plant food would be used for fruit production. He predicted the seedless fruit will grow more rapidly and ripen earlier than seeded kinds.

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From Lexington (Ky.) Herald, Jan. 13 -

PREDICTS COMPLETE FARM MECHANIZATION - Philadelphia - Philip S. Rose, former president of the American Society of Agricultural Engineers, predicts complete mechanization of agriculture in the next decade.

"American agriculture has come to the end of its horse-and-buggy days," he says. "Twenty-eight years ago a few daring prophets talked about 2,000,000 tractors as a probable limit. Today even conservatives have doubled the number. My own guess is that within ten years there will be at least 8,000,000 tractors on American farms."

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From Wilmington (Del.) Journal-Every Evening, Jan. 20 -

CHICKENS ARE CHEAP - Editorial - This could also be headed, "Growers Are Sad." It's all in the point of view. The present low prices of broilers mean to housewives that they can buy young chickens at about one-half the black market cost last fall. These same prices mean to growers that ruin is in the offing unless there is a big change; 20 cents a pound is not enough to get for broilers that cost 28 cents a pound to raise.

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From Boston (Mass.) Herald, Jan. 19 -

REAL DENT IN COST OF LIVING STILL REMAINS IN THE FUTURE - The housewife who interprets the slight sliding off of food prices this month as an indication that they will soon be back at pre-war levels is just indulging in some wishful thinking. Real relief is a long way off. It will be a year or more before any dent is made in the high cost of living.

Throwing some cold water on the housewife's naivete, figures show that food costs in Massachusetts in November, 1946, were more than 100 per cent, over the prices of January, 1941. There has been a small decrease since then but prices as of December, 1946, were still 98.8 per cent, above the January, 1941, levels.

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DAILY FARM NEWS DIGEST
(For January 27, 1947)

U.S. DEPARTMENT OF AGRICULTURE
Office of Information
Washington 25, D.C.

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DEPARTMENT OF AGRICULTURE

(The newspapers and magazines from which these agricultural items are taken are on file in Press Service, Room 414A. Phone Gene Harrison at 6031)

From New York Times, January 27 -

CREDITS ANDERSON IN BUTTER INQUIRY: CLARK SAYS SECRETARY BEGAN STUDY THAT BROUGHT ACTION AGAINST DAIRYMEN'S LEAGUE-Attorney General Tom C. Clark gave full credit yesterday to Clinton P. Anderson, Secretary of Agriculture, for having started the investigation that led to the filing of criminal informations against the Dairymen's League Co-operative Association and four of its officials for alleged violation of the Commodities Exchange Act by rigging wholesale butter prices here in December.

Trial of the defendants, among whom is Henry H. Rathbun, president of the Dairymen's League, is to start today before Federal Judge Alfred C. Cox.

Refuting the claim of the New York City Consumer Council that its request for a Department of Justice inquiry into butter price manipulations had preceded the Department of Agriculture inquiry, Mr. Clark said that he had ordered an investigation after receiving the Consumer Council's request. He said he learned later that the Department of Agriculture previously had begun an independent inquiry of its own initiative.

WARNS ON SUGAR OUTLOOK: WILSON URGES CONTROLS BE KEPT THROUGHOUT YEAR-San Francisco-With estimated 1947 sugar supplies in this country at least 1,000,000 tons short of public requirements, it is imperative that Government controls over sugar be extended through this year, it was declared here today by Earl B. Wilson, president of the California and Hawaiian Sugar Refining Corporation, Ltd.

Mr. Wilson, former director of the sugar branch of the United States Department of Agriculture, said that lifting of controls may lead to a repetition of occurrences following World War I, when sugar prices rose to 40 cents a pound retail while shortages became increasingly acute.

WAY FOUND TO STOP MILDEW IN COTTONS-Philadelphia-Cotton fabrics now can be protected from mildew by making them fire-resistant, scientists of the Philadelphia Quartermaster Depot have announced.

The Army researchers expressed belief that the fabrics could be made to resist "fire, water, mildew, sunlight, shrinkage and possibly abrasion."

HUGE POTATO STOCKS IN STATE A PROBLEM-Albany-New York and several Eastern States "will have considerable difficulty" disposing of record amounts of potatoes in storage, a Federal State agriculture report said today.

The report, issued by the State Agriculture Department, said that nationally 150,230,000 bushels of potatoes were in storage as of Jan. 1 and that New York held 13,400,000 bushels. The State total compared with 5,870,000 bushels a year ago and ten year average of 8,193,000. The national holdings are about 42 percent above the ten year average, the report said, despite heavy movement of potatoes during the fall and early winter.

From New York Journal of Commerce, Jan! 27 -

PRICE DECLINE PICKS UP SPEED IN FANNING OUT--The commodity price trend has definitely turned downward.

The decline is led by wholesale food prices. However, last week--for the first time--declines in grain and food prices were no longer at least partially offset by advances in some industrial price groups.

Instead, four major industrial price groups also showed declines; They were textiles, metals, building materials and paint materials. While the changes in these groups were small--and caused only by a few individual price declines--their cumulative effect was significant.

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SUGAR IN U.S. DECLINES 7% in '46; BROKERS TAKE ISSUE WITH ANDERSON--Sugar consumption in the United States in 1946 amounted to 4,711,209 long tons, refined value, according to Willett & Gray. That compared with 5,086,000 tons in the previous year, a decline of 7.37 percent. On a per capita basis consumption totalled 74 pounds in the previous year.

The National Sugar Brokers Association takes issue with Secretary of Agriculture Anderson in his statement that sugar brokers wanted controls removed so that they could benefit by selling and reselling on an upward spiralling of prices.

William Burns, in his annual statement to members said: "We have not advocated immediate decontrol. Our letter was sent out for just one purpose, and that was to assure better control of our sugar exports, so that the International Emergency Food Control would not see emergencies where they did not exist."

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TRUMAN CONSIDERS FREEING MOLASSES; WOULD RETAIN PRICE CURBS ON SUGAR, RICE--Washington--President Truman may give Congress this week his recommendations on dropping some war powers and continuing others, an official disclosed today, with decontrol of molasses under consideration.

The recommendations will deal with authority contained in the Second War Powers Act, now due to expire March 31.

Some White House advisers also are debating the elimination of controls on molasses on the ground that this would bring to market supplies they believe are being withheld. One official whose name may not be used said producers apparently have slowed down deliveries in the expectation that molasses allocation will be dropped and that price ceilings will be abandoned at the same time. Price controls would be retained, however, on rice and sugar.

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From The Wall Street Journal, Jan. 27 -

EGG ENIGMA; MILLIONS TO BE SPENT ON PRICE SUPPORT PLAN PRODUCERS DON'T LIKE Chicago--Billions of surplus eggs will cause some million dollar headaches before the Government's farm price support program ends in 1948.

The Department of Agriculture, which under law has the thankless job of trying to hold up egg prices (no one covered by the survey favored the egg price support program) will have the most troubles. Anticipating grief aplenty in attempting this distasteful job, Secretary Anderson has asked Congress to revise the support program. He singled out eggs as one of the worst trouble spots.

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From Free Press, Burlington, Vt., Jan. 17 -

DAIRY LEADERS CRITICIZE FORMULA METHOD OF FIXING PRICE OF MILK-The formula method of fixing the price of milk got a bad black eye yesterday at the closing session of the conference of the Agricultural Conservation Program. Putting together the statements of various leaders in the dairy industry it appears that they feel the formula is wholly inadequate to meet the need of increased milk production in the fall without subjecting farmers to a ruinously low price in the spring. No formal action was taken as to what should be done, but it is sure that there will be vigorous opposition to the continuance of the formula at the coming hearing, to be held sometime in February.

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From The Brooklyn (N.Y. Eagle, Jan. 16 -

THE STATUS OF CO-OPERATIVES-Editorial-Disclosures by United States Attorney McGohey in filing his information against the New York City Dairymen's League Co-operative Association can be expected to provide important stimulus for a fight in Congress to end the vital economic concessions granted the cooperatives by law.

Mr. McGohey's report is to the effect that in the last five days of December the co-operate paid out \$560,000 for the purchase of 668,000 pounds of butter in order to keep the wholesale price from falling below 84 cents a pound. Its possession of such a large surplus is surprising and its use for such a purpose is of questionable legitimacy. It should bring the operations of the co-operatives under the critical view of Congress.

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From Great Falls (Mont.) Tribune, Jan. 16 -

SUGAR IN 1947--AND AFTERWARD-Editorial-The announcement now comes along that the growers of sugar beets will be paid the highest price on record in the year 1947. That makes the beet growers feel good for the moment. It, however, does not finish what the United States ought to do. What the beet grower wants--and what the processor wants, for that matter--is assurance of enough domestic market so that both the beet growers and the factories can have opportunity for a continuing expansion of the industry over a period of years--say up to 50 percent of the domestic consumption. And that supplementary guarantee is up to the congress.

If this were done, Montana would have three or four new sugar factories--and that would tremendously assist the livestock industry of the west--indirectly or directly--whichever way you wish to put it.

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From Chicago Journal of Commerce, Jan. 17 -

POULTRY MEN GIVE SOME SOBER THOUGHT TO PARITY PROBLEMS-Although comparatively little has been said about the matter outside their own circles, this column is advised that poultry and egg people are becoming more and more concerned about the probable effect of federal price guarantees upon their business. One authority said yesterday that if parity on eggs is maintained at too high a level relative to other produce, "we are simply asking the consumer not to buy eggs."

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From Bluefield (W.Va.) Telegraph, Jan. 21 -

SUBSIDIES A RANK WASTE-Editorial-It is both interesting and startling to discover that the subsidies provided for under the OPA control system were not sound and did not work to save anything for the consumer. On the other hand many of the subsidies which the new deal pretended would keep the price of certain necessities on a level were very wasteful.

Some instances of the waste that attended the granting of subsidies have recently been made public and from among them we take the following examples: Holding prices at OPA levels on prunes and raisins cost the United States \$20 million in 1945. There was also a \$570 million subsidy on meat and an \$8 million subsidy on peanut butter. Authorized subsidies for fiscal 1946 amount to \$2.4 billion, but actual spending for them amounted to slightly more than \$2 billion. Most of this was for food--of which dairy products and flour accounted for 80 percent.

It is estimated that dispensing with subsidies will save 36 million taxpayers \$22 apiece. According to Reconversion Director John R. Steelman, the abandoning of OPA means a saving of \$790 million in federal funds during the remainder of fiscal 1947.

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From Bakersfield Californian, Jan. 14 -

HELICOPTER CROP DUSTER-Editorial-Another chorse has been devised for that aerial jack-of-all work, the helicopter. In addition to mail-carrying, fire watching, mapping and photography, the helicopter has been tried out as a crop-duster with amazingly efficient results.

Because it can be flown very slowly and at any height desired, the helicopter is particularly adaptable to the job of dusting crops with insecticide, defoliant or other chemical crop aids. The windmilling blades blow a downdraft of air which is an additional help in spreading the chemicals. Coverage is practically 100 percent, according to test pilots and agricultural experts who witnessed recent experiments conducted in the northwest.

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From Greenville (S.C.) News, Jan. 18 -

CAROLINA COTTON RECORDS-The awards announced in the state five-acre cotton contest provide striking evidence of the remarkable results that can be and are being, achieved on South Carolina soil.

A new record has apparently been made, a Chester county farmer, who produced about sixteen and half bales of cotton on five acres, and cotton of unusually high quality at that, with a staple length of 1 1/8 inch. And Greenville county has something to be proud of in the records of J. T. Crumpton and P. H. James. The former produced just a little under ten bales on five acres and the latter more than seven bales.

Of course these are exceptional yields of cotton, but it is a fact that South Carolina's average per acre cotton yields have increased steadily in recent years. And evidently South Carolina farmers generally have been producing better cotton. For it is revealed that the state led the Southeast in 1946 in average cotton staple length, with 98.2 percent of all the lint cotton grown in the state having a staple length of an inch or more.

This is the line of progress the state needs and will need in greater degree in the future to make cotton a profitable crop.

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DAILY FARM NEWS DIGEST
(For January 28, 1947)
Cap 2

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U.S. DEPARTMENT OF AGRICULTURE

U.S. DEPARTMENT OF AGRICULTURE

Office of Information

Washington 25, D. C.

(The newspapers and magazines from which these agricultural items are taken are on file in Press Service, Room 414A. Phone Gene Harrison at 6031)

From The New York Times, January 28 -

DUMPING POTATOES UPHELD AS SOUND: AGRICULTURE OFFICIALS REPLY TO PROTESTS WITH EXPLANATION OF REASONS FOR POLICY-Washington - The Department of Agriculture was beginning today to get the protests on potato dumping which Secretary Clinton P. Anderson predicted months ago.

In the absence of the Secretary, who was making a speech in Galveston, department officials answered queries by quoting his recent Capitol Hill testimony and letters to Congress members.

The question most often asked was, "Why waste potatoes when there are hungry people in the world?"

The answer was that about 1,000,000 bushels have been distributed to school lunch programs and charitable institutions. The department for months has had a standing offer of potatoes. The United Nations Relief and Rehabilitation Administration said it could not take them because dehydration was too costly and otherwise they would spoil in overseas shipment.

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DAIRYMEN'S GROUP FINED FOR 'RIGGING' - Four officers of the Dairymen's League Cooperative Association, who earlier had pleaded not guilty to a five-count criminal information accusing them of rigging the price of January milk, changed their pleas yesterday to guilty and were fined \$1,000 each by Federal Judge Alfred C. Cox.

The league, also a defendant, was fined \$25,000, the court following the recommendation of United States Attorney John F. X. McGohey.

Theodore Kiendl, attorney for the defendants, told the court of the purpose of the league in buying large quantities of butter on the New York Mercantile Exchange during the week preceding Christmas. He said it was not only to protect the January milk price to be received by the 27,000 members of the cooperative, but also to prevent a shortage of milk in the New York area in view of a prospective higher price for milk in the Boston area.

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TRADE PACTS 'HOAX' CHARGED IN SENATE AS DEBATE IS BEGUN; BUTLER DENOUNCES GOVERNMENT PROGRAM, SEES TARIFF CUTS MADE BY 'PACKED JURY'-Washington - An attack on the reciprocal trade agreements program as "a gigantic hoax on the American people," with tariff reductions being made by a "packed jury," blew the lid off a smoldering Senate fight today.

Making the attack was Senator Hugh Butler, Republican, of Nebraska. He declared also that "crisis boys" in the State Department were utilizing general public ignorance of the implications of lowered duties to "bludgeon" citizens into accepting the economic philosophy of the program.

Apparently seeking to tie the whole Republican majority to the Butler position, the Democrats accused it of moving toward economic and political isolation. They challenged the majority to repeal the program by direct action, chiding it for "seeking the same results by indirection."

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From the New York Wall Street Journal, Jan. 28 -

ANDERSON HOPES foreign demand will help keep farm prices from tumbling.

Reports of slow agricultural recovery abroad due to shortages of fertilizer and machinery trickle to the Agriculture Secretary's desk. Overseas wheat needs look high. Britain is buying dried eggs. There may be a sizable desire for U. S. dairy products. All these help him fight the spectre of 1947 bumper crops spilling all over his lap -- and him stuck with a promise to support almost everything but the kitchen sink at 90% of parity. . . .

But what Anderson can't forget is that foreigners have empty pocketbooks. Most of what they buy will have to be paid for with money handed them by Uncle Sam. And Congress is tightening the purse strings.

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PRICES DIP below old O.P.A. ceilings on a lengthening list of commodities.

Butter is in the spotlight -- four cents below ceiling. But it's not alone. One of the biggest retail market chains says every scrap of meat (except lamb) in its New York stores is now one to two cents a pound below old ceiling-plus-subsidy levels.

Millfeeds, the key high-protein diet for dairy cattle and poultry, now brings \$41 a ton in the Buffalo milling center. The late ceiling was \$55.75.

Despite the acute shortage of oils and fats, tung oil (used in paint) is being offered below 38 cents a pound. The old ceiling was half a cent higher.

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COTTON FARMERS may fall short of the Government's 1947 crop planting goal.

The Agriculture Department has asked for 23 million acres of cotton fields this year. Last year only 18 million acres were planted. And early checks in the Southeastern states indicate farmers so far are planning to step up plantings only about 10% from the 1946 level. Such an increase over the whole cotton belt would mean total acreage some three million acres below the goal.

Many Dixie farmers are "sold" on crop diversification. They're leary of gambling all on the "king" crop. And they haven't overlooked late cotton price weakening.

Cotton supplies in the U. S. are expected to dwindle to the lowest level in 18 years before the 1947 crop starts coming to market.

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WORLD FOOD PLANS have a long way to go, say Washington realists.

Global planners would put most world-commerce farm staples under international price control. They would limit private trade. They would build stockpiles. But many hurdles are ahead of them.

First, they must get approval of the program by the United Nations Food and Agriculture Organization. And the F.A.O. doesn't meet until next fall.

Second, each commodity agreement would have to be negotiated separately among the interested nations. Before this country, moreover, could become a party to any arrangement giving the government such absolute control of foreign trade, Congress would have to approve. And that Congress will "cotton" to such a plan appears -- to put it mildly -- questionable.

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CANNED FOODS are being watched for price breaks. Stocks are high. People holding them are nervous. Says one banker: "I wouldn't touch a canned food loan with a 20-foot pole."

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From Buffalo (N.Y.) News, Jan. 18 -

FANTASY OF FARM PLANNING - Editorial - Last year, despite a dire shortage of many foods, the country was literally surfeited with potatoes. In these circumstances, one would think that any normally prudent bureaucratic planner would promptly revise this year's acreage allotments downward.

But the Agriculture Department, amazingly, has done just the reverse -- and worse. It has actually increased the acreage allotments in 34 states, while reducing them in 14. The total acreage allotted for potatoes this year is slightly higher than for last year's bounteous crop--yet the Department says that total production should be 100,000,000 bushels smaller. For this, it has the remarkable explanation that the new allotments will shift production from states with high per-acre yields (like Maine and New York) to states with lower yields.

The Washington solution for the potato surplus is to take out of production those lands best suited to potato growing -- and bring in many thousands of acres elsewhere which offer, as their only "advantage," the promise of a poor yield.

If this fantasy of farm planning is an example of the Administration's new policy of agricultural plenty, it's enough to cause Henry Wallace's little pigs to roll over in their graves.

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From Bluefield (W. Va.) Telegraph, Jan. 16 -

MARGARINE VS. BUTTER - Editorial - Soaring butter prices following short supply of that commodity greatly increased demand for oleomargarine in recent months. Largely because of this development another battle in congress to legislate the synthetic spread is expected. Few would predict that the drive has a chance to succeed. Yet, aside from dairy interests there would be wide public approval of revision and reduction of restrictions and taxation of the product.

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From Concord (N.H.) Monitor, Jan. 18 -

CHANGES - Editorial - Butter prices have dropped again to a figure less than the OPA ceiling which had prevailed. Other food prices are settling, and food is about the biggest single item in the budget of the average family. Natural laws are working better than federal regulations did.

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From Jackson (Miss.) Clarion-Ledger, Jan. 20 -

COTTON PROBLEMS NOT SOLVED BUT MORE IS NEEDED THIS YEAR - Editorial - The fundamental cotton problems -- those factors causing surpluses and profitless prices, or the loss of foreign and domestic markets when prices are supported at artificial levels -- have not been solved by the war conditions which increased the demand, nearly wiped out the carry-over and raised prices to their current levels. These were temporary effects of abnormal and transient conditions and influences. The fundamental problems remain to be solved. A good crop produced and sold at profitable prices, would be a good thing for the South. But it would also bring a year nearer the necessity of again facing fundamental problems.

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From Terre Haute (Ind.) Star, Jan. 17 -

PERENNIAL PROBLEM - Editorial - The section of the President's message dealing with agriculture deserves special attention because it contains a sober reminder that the time is coming when the nation will again have a farm problem on its hands. Or, rather, when the problem will again become formidable, since it can hardly be considered solved when Congress is asked to appropriate \$1,382,000,000 for farm subsidies during the 1948 fiscal year.

During the twelve months beginning next July 1, if the President's expectations are borne out, demand for agricultural products will remain strong. Therefore goals have been set to encourage another year of maximum output in 1947. Nevertheless, President Truman estimates that \$330,000,000 will be needed to support farm prices of this year's crops.

Congress has pledged this support and will have no alternative but to make this appropriation.

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From Fargo (N.D.) Forum, Jan. 19 -

MAKE IT PAY OUT - Editorial - The government's federal crop insurance program continues having difficulties. Figures recently made public show that the program brought in about 32 million dollars last year, and that 44 million was paid out in losses. These losses cost the government about 12 million dollars net.

This condition, as a continuing matter, is costly. When this insurance was undertaken in 1938, it was realized that there was a real job ahead. There was no record of loss experience in setting it up. It was thought that possibly there would be losses for some five years until lessons had been learned from actual experience. Either the program should be made to pay out, or it should be abandoned.

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From Denver (Colo.) Post, Jan. 19 -

STEER VS. DEER - Editorial - Western stockmen are calling for a congressional investigation of the forest service. That may be the only way to straighten out the controversy precipitated by the service's orders reducing the number of cattle which may be grazed on certain government land.

Forest officials insist a reduction in grazing permits is necessary in some cases to protect the range. Cattlemen are just as insistent that there is no justification for this. The general public doesn't know and has no way of finding out, except through a thorough airing of the whole controversy before a congressional committee, which side is in the right. In any event, the dispute is one which can be settled by congress.

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From Little Rock Arkansas-Gazette, Jan. 20 -

A PLANT THAT CAN "MANAGE" LAND - Editorial - Rain and melting snow will have difficulty moving large amounts of soil where kudzu vine is well bedded on Arkansas slopes. This legume heals the scarred land. The thick growth sieves mud from running water, and gradually fills depressions. Kudzu works chemically as well as mechanically. It is both a soil nourisher and a builder. An Atlanta Constitution's writer, Channing Cope, thinks the plant is the best land "manager" there is. Kudzu grown on his farm has convinced him. It checks erosion without the aid of terraces; it adds essential nitrogen to the soil, and it provides food for livestock.

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(The newspapers and magazines from which these agricultural items are taken are on file in Press Service, Room 414A. Phone Gene Harrison at 6031)

From The New York Times, January 29 -

SAVE SUGAR SET-UP AFTER IT IS KILLED; OPA ATTORNEYS GET STAY IN APPEALS COURT FOLLOWING LOWER TRIBUNAL'S RULING-Washington - The possibility that the whole structure of Government sugar rationing might collapse was temporarily averted when the United States Circuit Court of Appeals today granted a stay until it can hear arguments Feb. 7, on whether the "historical use" formula for distribution to industrial users is unconstitutional.

Recognizing the anxiety of the Federal Government and the general seriousness of the situation, the appeals court announced that it expected to hand down its decision on the whole case by Feb. 14.

Lawyers for the Office of Price Administration moved rapidly to obtain the stay after Justice F. Dickinson Letts of the District Court for the District of Columbia reaffirmed his recent ruling against the "historical use" plan and sought to enjoin its employment. He declined to grant the stay, because, he said, there was no reason for him to "authorize the invalid order to be used for any period of time."

CATTLE CONTROL STUDIED; U. S., MEXICO SEEK JOINT ACTION ON HOOF-AND-MOUTH DISEASE-Galveston, Tex., (AP) - An agreement between the Mexican and United States Governments on control of the dread hoof and mouth cattle disease may be announced within a few days, or even a few hours, Secretary of Agriculture Clinton P. Anderson said here today.

"A working agreement whereby the two countries can get cooperation under way to prevent spread of this dangerous cattle disease is being prepared now," Mr. Anderson said at a press conference.

"The Department of Agriculture thinks it would be desirable if this agreement would permit their veterinarians to supplement the zoning program already begun by Mexico.

"Also needed is a fairly large detail of Mexican military personnel to police the zones already established. Some of this is now being done, but more is needed."

STABLE DAIRY PRICES URGED BY COOPERATIVE-Washington - The importance of stabilizing dairy prices was urged upon the Department of Agriculture today by a special committee of the National Cooperative Milk Producers Association.

Charles Holman, national secretary of the association, which represents dairy farmers in forty-seven States, headed the delegation of a dozen men who called upon Under-Secretary Norris E. Dodd. He said the purpose of the meeting was to go into the whole business of stabilizing dairy products, both fluid and manufactured, so that prices would neither go sharply up nor sharply down.

ANDERSON SEES U. S. GIVING UP EXPORT OF COTTON; SAYS IT HOPES SOON TO LEAVE AXIS BUSINESS TO PRIVATE ENTERPRISE-Galveston, (AP) - Secretary of Agriculture Clinton P. Anderson said today that the Government hopes to be able to return to private shippers the exportation of cotton to Germany by July and to Japan by October.

The Government will retain control over the distribution of the completed products from mills in the occupied countries until 1948, however, the Cabinet official told newspaper men at a press conference. Secretary Anderson spoke here at a meeting of the National Cotton Council.

(Turn to page 2 for other items from -----

From The New York Times, January 29 (Cont.) -

PRICE CONTROLS END ON MOLASSES-Washington - Price controls over domestic and imported blackstrap and beet final molasses were revoked effective at midnight by order of John R. Steelman, Assistant to the President. The ruling also lifted restrictions on the allocation of both blackstrap and beet final molasses produced in this country.

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From the New York Journal of Commerce, January 29 -

ANDERSON REPORTS CCC COTTON PROFIT-Galveston - The elimination of Government surpluses of raw cotton has been achieved with a profit of \$189,000,000, Clinton P. Anderson, Secretary of Agriculture, declared at the opening session of the National Cotton Council here today.

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PLAN BOXCAR PROBE- Charging discrimination against West in reported priority for boxcars to move export wheat, Senator Reed, Kansas Republican demands explanation from CCC. Probe may broaden into investigation of extent of shipments of freight cars abroad as contributing factor to current shortage on domestic railroads.

From the New York Wall Street Journal, Jan. 29 -

DOMESTIC CONSUMPTION OF CIGARETTES IN 1946 SET 321.4 BILLION MARK - A record 321.4 billion cigarettes were sold for domestic consumption last year, an increase of 53.9 billion, or 20.15%, from the previous high year of 1945.

Cigars manufactured in the United States and Cuba and distributed domestically also increased 907.5 million, or 18.41%, to 5.8 billion last year.

This was the story told yesterday by comparative data, subject to revision, on tax-paid tobacco products made public by the Bureau of Internal Revenue.

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From the Chicago Daily Tribune, Jan. 29 -

GOOD TIMBER SUPPLY DROPS, SAYS U. S. AID-Washington - The country's rapidly decreasing supply of good timber will prevent forest products industries from meeting consumer demand for many years, Lyle F. Watts, chief of the government forest service, said today in his annual report to Secretary of Agriculture Anderson.

The total stand of timber ready for cutting has dropped from 2 trillion 826 billion board feet in 1909 to an estimated 1 trillion 601 billion now, said Watts. The amount of good timber cut or destroyed each year exceeds the amount being grown by approximately 18 billion 600 million board feet.

"Evidence of forest depletion is to be found in every part of the country," Watts asserted. "Long before the war timber shortages had curtailed output in the older timber producing regions — New England, Pennsylvania, and the lake states. In 1946 shortages of pine timber were pronounced in various parts of the south. Even in the western states, where 96 per cent of the nation's remaining virgin timber is located, some localities are feeling the pinch."

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From Richmond (Va.) Times-Dispatch, Jan. 23 -

OFFICIAL CAUTIONS DAIRYMEN TO STOP FORECASTING PRICES - Frank Bushek, Manager, Atlantic Dairy Association, warned dairymen and government officials alike yesterday to stop making forecasts as to the future price of milk and butter, because such predictions "tend to restrict buying."

From Birmingham (Ala.) News-Age Herald, Jan. 24 ..

FARM PRICE COMMITMENTS -- Editorial - In order to encourage farm production to meet a wartime scale of demand, the government promised to support farm prices through 1948. As the war drew toward an end, farmers naturally were concerned lest the end of hostilities bring such a reduction in demand as would result in sharp price breaks. Without some assurance from the government there was, of course, the danger that production would be curtailed ahead of need and demand. If the price commitments remain in force, heavy over-production may result and the government, Mr. Anderson believes, may be called upon to put out two billion dollars or more next year in price-support loans on non-perishable commodities and in the purchase of perishable commodities.

It is obviously wise to reconsider this program in the light of present conditions. Mr. Anderson does well to advance the subject for consideration. Farmers will exercise good judgment and far-sightedness by joining in a fair reexamination of the present program.

From Terre Haute (Ind.) Star, Jan. 22 -

BIG CROP SCARE - Editorial - Crop observers in Washington are thinking of a 1947 wheat crop in terms of a billion and a quarter bushels and are wondering what will happen to the price. So, too, is Argentina which competes with the United States in the export market. Washington crop forecasts are causing Argentine grain prices to tumble.

The United States in normal times consumes 700,000,000 bushels of wheat and holds in reserve 200,000,000 bushels. It would seem 350,000,000 bushels or more will be floating around next fall without any place to go unless it can be sold abroad. A carryover of 550,000,000 bushels would have a depressing effect on price regardless of government floors.

There will be a tall scramble before the year has ended to reinstate acreage controls and step up grain exports. Unless, of course, the weather next spring wilts this prospective crop down in size that has happened so often in the past as to make its recurrence not unlikely.

From Jacksonville Florida Times-Union, Jan. 23 -

BRADFORD GROWERS DECLARE EARLY BERRIES 'GIFT CROP' - Starke - Bradford County's strawberry growers are "in the gravy." In the past two months they have shipped out more than 11,000 crates of berries, receiving considerably more than \$100,000 for them, and to all intents and purposes it is just a "gift crop." That was the way R. B. Alvarez, recently appointed manager of the Bradford County State Farmers' Market here, described the benefits which have accrued to local farmers because of Florida's unseasonable Winter weather.

From Worcester (Mass.) Telegram, Jan. 22 -

BETTER POULTRY - Editorial - According to Dewey Termohlen, director of the poultry branch of the U. S. Department of Agriculture, American poultry growers had better start producing better chickens, fowl and turkeys or lose their market to other types of meat. The country's three-billion dollar poultry business should stop concentrating on egg production, and begin thinking about improving the output and quality of poultry meat, the director said.

Less than three months ago the Department of Agriculture, and government officials from President Truman down, were calling for the retention of price controls on meat because of the "meat shortages." The reason the country had no meat in those hectic days, according to President Truman, was because the people had eaten up all the meat. Now the Department of Agriculture is worried about the chicken business being replaced by other meats, apparently in plentiful supply. How times have changed since the OPA regulations on meat went out of existence.

From Des Moines, (Iowa.) Register, Jan. 23 -

SOME FACTS OF LIFE FOR THE LEGISLATURE - Editorial - The resolution of the Iowa legislature asking congress to free sugar from federal controls is exactly what some legislators themselves labeled it -- an irresponsible and "greedy" action.

The simple fact is that there isn't enough sugar to go around even if controls are dropped immediately. Last year the world supply was more than seven million tons below prewar level. The estimated production for this year is higher, but still will fall at least three million tons short. Not until after 1948 will world production be able to catch up.

The reason is not because of a producers' "strike" for higher prices, or a bureaucracy deliberately withholding sugar from the people, or the law of supply and demand sulking because it is not permitted to operate, or anything of the kind. The ravages of war unfortunately ruined such great sugar-producing areas as the Philippines, Java, and Formosa.

From Buffalo (N.Y.) Courier-Express, Jan. 23 -

DEWEY WARNS FARMERS PRICE PEGGING HARMFUL - Albany - Governor Thomas E. Dewey doffed his executive mantle today and indulged in some back country talk about farm problems and conditions at the annual meeting of the New York State Agricultural Society here. He warned the farm group that declining food prices portend a lower standard of living for farmers, which, he added, already is below that of the average city worker.

"It is a grave problem," he continued. "I hope as prices decline we can devise some means by which the living standard of farmers will increase. I feel deeply that part of the decline must come out of the distribution of food through more efficient and cheaper means for distributing it.

"We have a paradox. A decline in the cost of food is desirable and yet the living standard of those who produce the food should not be lowered. On an hourly basis the farmer is the most underpaid individual in the country."

Dewey warned against pegged agricultural prices, declaring that the farmer will be hurt severely when such prices decline.

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(The newspapers and magazines from which these agricultural items are taken are on file in Press Service, Room 414A. Phone Gene Harrison at 6031.)

From the New York Times, January 30 -

POULTRY AND EGGS DUE TO DROP TODAY; BUTTER TO GO UP - Retail prices of eggs and poultry are expected to break today after having been bolstered for several weeks at higher levels than were warranted by falling wholesale prices. One of the large food chains, according to reports in the trade last night, is expected to announce price cuts today and set a pattern for other retailers.

Both poultry and eggs are now more plentiful than the demand. . . .

With wholesale prices of poultry continuing to fall and consumer buying at present retail prices far below normal, poultry growers have been seeking frantically to find a way to encourage more frequent chicken dinners in the average family. The expected lowering of retail prices is looked upon by the poultry raisers as a possible way to avert the ruin of many farms.

Butter prices, however, will rise 1 cent a pound today in some retail stores as a result of yesterday's increase of three-fourths of a cent at wholesale. Grade AA butter sold in the wholesale market yesterday at 63 1/4 cents a pound.

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DR. NORTON IN PLEA FOR RURAL SCHOOLS - Rural areas are the "educational slums" of this country, Dr. John K. Norton, Professor of Education at Columbia University's Teachers College, declared yesterday at the annual meeting of the Save the Children Federation.

Estimating that at least 3,000,000 children "who should be in school are not in school" in the United States, Dr. Norton told 250 members of the federation that "if every one of the 190,000 rural school buildings could have the same kind of help which the federation has given some 858 schools, public education in the rural areas could be largely remade" in about a decade.

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CLARK SEES SLUMP UNLESS PRICES DROP; TRUMAN AIDE HOLDS REDUCTION VITAL-Atlantic City - Dr. John D. Clark, economic adviser to President Truman, declared today that unless prices drop there is going to be a recession in this country.

Addressing more than 500 members attending the annual meeting and winter conference of the National Dairy Council and affiliated units, Dr. Clark pointed out that it would require only a moderate price adjustment to permit the marketing of all goods which will be produced in 1947.

"If prices are not reduced and these goods pile up and business slackens," he declared, "the price reduction will then take place but at the risk of a recession which, once started, might slip beyond our control."

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FORECASTS BREAK IN LUMBER PRICES - Lumber prices are now at a peak and will drop at least 10 percent by the end of the year, Frank W. Whitty, newly elected president of the Northeastern Retail Lumbermen's Association, declared yesterday at the annual convention.

"Softwoods will fall from 10 to 15 percent," he said, "and hardwood prices will experience an even greater decrease. I must emphasize that the process of price revision is now in full swing because of steadily increasing production and dealer resistance to overpriced stock."

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From the New York Journal of Commerce, Jan. 30 -

ORR SEES WORLD FOOD COUNCIL VITAL TO MAINTENANCE OF PEACE-Washington, (AP) - Sir John Boyd Orr, Director-General of the Food and Agriculture Organization, declared tonight "there is no alternative to a third World War * * * if governments do not give wholehearted co-operation to * * * a food plan for the benefit of the people of the world."

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From the New York Wall Street Journal, Jan. 30 -

FARMERS' UNION OFFICIAL URGES CONGRESS TO ACT ON GRAIN CAR SHORTAGE-Washington (AP) - Complaining that there is an "intolerable" shortage of box cars for grain shipment, E. J. Barry of the Farmers Union Grain Terminal Association, St. Paul, Minn., asked Congress to do something about it. He suggested to a Senate Commerce sub-committee that legislation be enacted that would: Require "responsibility and authority in the distribution of railroad box cars";

Provide judicial procedure whereby farmers could sue and recover for grain losses arising out of "unfair distribution" of the cars.

Mr. Barry said the box car situation "is worse now than at any time in the past five years."

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From the Baltimore Sun, Jan. 30 -

U.S. TO INCREASE PURCHASE OF EGGS-Washington, (AP) - The Agriculture Department announced tonight it will expand its egg-buying operations to help remove price-depressing surpluses from the market.

The department is required by law to support producers' prices at not less than 90 percent of parity, or a national average of about 36 cents a dozen during the February-April period.

It already is buying dried eggs for price-supporting purposes and selling them to Great Britain. Beginning February 5, it will buy frozen eggs as well for delivery within 30 days following acceptance of offers.

Officials have predicted that egg production this year will be at least 150,-000,000 dozen more than consumers will buy at support prices.

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FARMERS WHO ABUSE THEIR PRIVILEGES CAN BE PUNISHED-Editorial - If Congress wants a hint on how to deal with the abuses of labor's collective bargaining, let it look to the case just closed in which the Federal Government punished the Dairy-men's Co-Operative Association League and some of its officers individually for rigging the butter market in New York.

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From the New York Herald Tribune, Jan. 30 -

COTTON EXPORTS TO EUROPE ARE SEEN HAMPERED; DUNN SAYS SHORTAGES OF LABOR, FUEL, EXCHANGE WILL HURT TRADE INDEFINITELY-Galveston, Tex., - American raw cotton export trade with Europe will be plagued indefinitely by insufficient textile labor, fuel and dollar exchange, Read Dunn, foreign trade director, of the National Cotton Council, declared at the council's meeting here today. Besides, he said, war damage and obsolescence have reduced the number of spindles in European mills from 90,-000,000 in 1937 to 71,000,000 at the present time.

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From Chicago Journal of Commerce, Jan. 27 -

FEDERAL CROP INSURANCE PLAN NEAR OBLIVION - Des Moines - The federal crop insurance program, now being given its second opportunity, appears headed for oblivion and probably will be given up as hopeless by the end of the year, a survey by The Chicago Journal of Commerce has disclosed here.

Reports from farm states indicate that Congress may refuse to have anything more to do with its expensive program. Unless some new method is suggested by the Department of Agriculture, entire affair will be dropped.

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From Boston Christian Science Monitor, Jan. 25 -

POTATOES AND POLITICS - Editorial - At a time when grim famine still stalks the earth the United States Government has just ordered 20,000,000 bushels of potatoes destroyed. And that is only the beginning. The Government is preparing to repeat the performance next year and the year after. It is planning to offer millions of dollars to farmers to grow potatoes and other crops to be destroyed.

The American Government is required by law to do this. With the entirely worthy object of insuring that Americans and their Allies would have food supplies to win the war, Congress promised to guarantee for potatoes and some other crops a price not lower than 90 per cent of parity, during the period of hostilities "and for two years thereafter."

On the 1946 crop of potatoes alone the Government has lost \$80,000,000. And consumers have had to pay more than they would have if the crop had all come to market. Probably that is only fair to the farmers. And doubtless the farmers who labored to produce these potatoes do not enjoy seeing them wasted.

But neither do we believe the farmers want to keep on with a waste which Secretary of Agriculture Anderson says will cost \$500,000,000 to \$700,000,000. But as other farm prices slip there will be a temptation to produce "sure thing" crops on which the Government has guaranteed a 90-per cent-of-parity price. And it will take some courage for politicians to change the law. A measure which would reduce the guarantee on crops now covered and give some support to others where a price toboggan would be disastrous is the most likely answer.

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From Chicago Sun, Jan. 25 -

A LESSON FROM POTATOES - Editorial - Well, here we are again — destroying food in the midst of world-wide hunger. The Department of Agriculture has authorized farmers to dump part of their potatoes. It is the old, scandalous story of poverty amid abundance. The price of potatoes is not so low that every American family can buy all it needs. Yet the government, to support the price, stands to lose \$80 million on its potato operation and to destroy millions of bushels in the bargain.

One cannot object too seriously to the support-price program. The nation asked its farmers to produce without limit in wartime, and they are entitled to aid in adjusting production to slackened demand.

But when potatoes can get into acute surplus so soon, it is clear that we have precious little time to draft a long-range farm policy. By the end of 1948 many other crops may be in surplus, and the pressures on Congress will be overpowering. If the problem is then met by hasty improvisation, the chances are that the government will go on guaranteeing price floors, go on trying to get rid of surpluses by dumping or destruction.

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From Chicago Tribune, Jan. 24 -

AGREE ON NEED OF CHANGE IN PARITY SYSTEM - Farm leaders yesterday expressed agreement with Secretary of Agriculture Anderson that revision of the parity formula is necessary, most of them approving the theory that the government should support farm prices.

In statements to the house and senate agriculture committees Anderson recommended revision of the formula to avoid a possible outlay of more than 2 billion dollars and wasteful overproduction in the next crop year. Emphasizing that he was not suggesting the government back down on its commitments to support prices of most farm commodities at 90 per cent of parity until the end of 1948, Anderson made no specific recommendations. He left that up to congress, suggesting that farm organizations be consulted.

Edward A. O'Neal, president of the American Farm Bureau federation believes the present parity formula should be retained on basic farm commodities until the end of 1948.

Arthur Lauterbach, general manager of the Pure Milk association, said "most dairy farmers think the 90 per cent support price is not high enough" because of substantially increased costs of production.

Spokesmen for the live stock and poultry industries were divided on the question of government price support with some favoring a support program and others holding that "the less government in business the better."

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From Mobile (Ala.) Register, Jan. 20 -

SCIENCE AND FARM CROP SURPLUSES - Editorial - Scientific research should step into the picture to keep down crop surpluses, the Dallas Morning News is convinced.

Observing that "impending surpluses of crops and other farm products are beginning to worry Secretary of Agriculture Clinton P. Anderson, as well as the nation's grain dealers," the News adds:

"Shortly the threatened surplus will worry America's farmers, who in this age of almost complete mechanization of crop production can easily raise twice as much as, or more than, the human and animal stomach can consume.

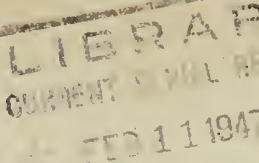
"It is high time for scientific research to step into the picture. Looked at scientifically, there should be no crop surpluses. All these surpluses need is other than the traditional food and feed outlets which periodically become glutted. We need to adjust our thinking and our agricultural production to the new markets which science and research are constantly opening up for farmers and processors."

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From Wilkes Barre (Pa.) Times-Leader News, Jan. 22 -

RETURN OF GRADE LABELING - Editorial - As further proof that the war is over and competition is returning, a big food-store chain has returned to its prewar practice of grade labeling. More properly, it's "descriptive grade labeling." For, in addition to grading its canned vegetables and fruits A, B, and C, according to the Agriculture Department's Marketing Service standard, the labels describe contents, weight, servings, etc., and explain the meaning of the grade. It seems to us that this is a commendable service to the housewife, in addition to being good business.

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(The newspapers and magazines from which these agricultural items are taken are on file in Press Service, Room 414A. Phone Gene Harrison at 6031.)

From The New York Times, January 31 -

PLAN IS URGED TO END LACK OF FOOD IN A DOZEN NATIONS-Washington - A dozen nations, including some that had never complained before, testified before the International Emergency Food Council today of food problems so bad their emergencies would not end with the close of the council Dec. 31, 1947. . . .

(Experts of seventeen nations on the United Nations Preparatory Commission on World Food Proposals warned that the world was headed into its severest economic depression unless quick expansion in consumption as well as production was effected through world trade and increased purchasing power.)

D. A. Fitzgerald, director general of the food council, raised many of the policy questions in an address and a sixty-four-page report on continually pressing food shortages in a world he described as getting farther and farther away from the "give and take" spirit of the war. He emphasized the grave and fundamental nature of the council's "world pool" or "commodity agreement" of sharing basic foods in short supply.

VOIDS OLEOMARGARINE FEE; PENNSYLVANIA SUPREME COURT BANS OLD LEGISLATIVE ACT-Philadelphia - The State Supreme Court declared unconstitutional today a 45-year-old act of the Legislature which imposed a \$500 license fee on oleomargarine wholesalers and a \$100 fee on retailers.

The tribunal upheld a decision of the Common Pleas Court of Dauphin County, which acted on a bill in equity filed by five dealers. The Commonwealth appealed the case to the Supreme Court and contended that the act imposed a tax rather than a license fee.

Chief Justice George W. Maxey, who wrote the opinion, said that the court agreed with the lower court in that the fee provided by the act was "unreasonable, confiscatory and discriminatory, and constituted an illegal restraint of trade."

SUGAR PLANT STAYS SHUT; LACK OF SHIPMENTS FROM HAWAII HITS CALIFORNIA REFINERY San Francisco - The big Crockett refinery of the California and Hawaiian Sugar Refining Corporation, which was to reopen this week-end after a shutdown attributable to maritime and Hawaiian sugar workers' strikes, will remain closed at least until Feb. 12.

A. L. Holven, acting plant manager, said today that no raw sugar produced since the Hawaiian strike ended on Nov. 17 had arrived at Crockett until last week and that there were only 5,500 to 6,000 tons on hand.

SPEED RICE TO CUBA; TWO U.S. AGENCIES JOIN TO HELP RELIEVE 'DIRE NEED' THERE-Washington, (AP) - The Departments of Agriculture and Commerce joined today in action to increase exports of rice to Cuba where sugar workers are reported in "dire need."

The Department of Agriculture amended its rice distribution control order to require that millers set aside a smaller quantity of their output for the American Government and encourage export of much of the extra supply to Cuba.

The Office of International Trade of the Department of Commerce announced that it would allow export licenses for immediate shipment of larger quantities of rice to Cuba.

From the New York Journal of Commerce, Jan. 31 -

ECONOMISTS SEE: BUSINESS GOOD; COST OF LIVING SLIGHTLY LOWER - A unanimous belief that the cost of living will decline in the closing half of 1947 was expressed by eleven of the nation's top economists who undertook to appraise the business outlook for 1947 at the latest meeting of the Conference Board Economic Forum.

The average of their predictions places the closing consumers' price index at 140 after indicating an opening of 148. The index figure is based on the period 1935-39 as representing 100.

The group of economists employed the fifteen business indicators most frequently used in forecasting in their measurement of prospects for the first and second halves of 1947.

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U.S. WANTS MORE SUGAR - The United States has asked the IEFC for an allotment from world sugar supplies of 6,800,000 tons, 1,400,000 more than a year ago. This quantity would provide a per capita base of 95.1 lbs. against 73 lbs. a year ago.

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TOBACCO PRICES DROP TO NEW LOW-Louisville, Ky., (AP) - Prices paid for burley tobacco sold on Kentucky markets yesterday dipped to the lowest of the season as the State Agriculture Department reported a Statewide average of \$38 per hundredweight.

Yesterday's Statewide average was 30¢ under that of Tuesday and was compiled on the sale of 9,710,954 pounds for \$3,689,819.28.

Sales in the burley belt Tuesday amounted to 15,185,642 pounds, averaging \$37.50, the United States Department of Agriculture reported. The agency said this was a new low for the season.

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LIVING COST RISE GRINDS TO HALT-Washington - The BLS consumers price index -- which is its summary most closely resembling a cost-of-living analysis -- rose only seven-tenths of one per cent between Nov. 15 and Dec. 15 last year, the Labor Department agency reported today. It rose to 153.3 percent of the 1934-1936 base period.

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MAJOR CITIES PLAN NEW FOOD CENTERS-Chicago, (AP) - Several cities are planning new produce super markets to speed the flow of perishable foods from farms to consumers faster, cheaper and fresher, the American Society of Planning Officials reports.

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From The New York Wall Street Journal, Jan. 31 -

BEEF PILE-UP PROMISES PRICE CUTS IN EASTERN STATES THIS WEEK-END-Chicago - There will be some steak dinner bargains in many Eastern cities this week-end.

Eastern housewives buying meat for Sunday meals will find many a butcher featuring "specials" in beef at reduced prices.

These bargains reflect a glut of beef in the East. They mark the first time since before the war that beef supplies jumped ahead of demand on a large scale. Meat coolers in New York, Boston, Philadelphia, Detroit and Pittsburgh are crammed with meat, mostly beef.

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From Watertown Daily Times, Jan. 28 -

PROBE OF MILK PRICE SPREAD ASKED; WACHTEL CHARGES SECRET PROFITS MADE AT EXPENSE OF FARMER AND CONSUMER - Albany - Charging that "secret profits have been made at the expense of the farmer and the consumer," Senator Arthur Wachtel, Bronx, Democrat, today demanded a legislative investigation of the milk price spread.

A resolution to implement his demand was introduced by the senator, a former assistant attorney general. In announcing his proposal for a legislative committee to inquire into the state's \$2,000,000,000 dairy industry, Wachtel cited the butterrigging practices of the Dairymen's league for which that cooperative has been fined \$25,000 in federal court.

"This question of butter-rigging," said Wachtel, "is only one of many marketing practices that led to the conclusion that an investigation should be made of the Dairymen's league and the major dealers, such as Borden's and Sheffield, to disclose once and for all the secret profits that have been made at the expense of the farmer and the consumer."

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From Chicago Journal of Commerce, Jan. 28 -

STARVATION, PREFERRED - Editorial - Clinton P. Anderson, secretary of agriculture, says that the bumper crop production which prevailed during the war must be reduced. In particular, farmers must cut their output of potatoes, eggs, and truck crops.

Back of these words we behold the gaunt, skeletal outlines of "scarcity economics" staring at us from eyeless sockets. The ghosts of Henry Wallace's slaughtered pigs rattle their chains, and tons of ploughed-under wheat send up a vast whisper of protest.

Mr. Anderson qualifies his stand, as well he may. He concedes that parts of the world are still "desperately hungry," meaning continuation of the high level of exports of wheat, cotton, dairy and other farm products for some years.

Does not this imply government controlled selection of farm products? More wheat but less potatoes? More cotton but less eggs? More cheese but less spinach? If domestic and world demand for these commodities calls for some of them more than others, why can't the unfailing law of supply and demand regulate production here as in all other parts of the economy? Why should farmers continue to produce potatoes beyond the markets which exist for them? The answer is simple: price support.

From Davenport Democrat and Leader, Jan. 28 -

PLAN TAX FOR PROMOTION OF POULTRY, EGGS - Des Moines (AP) Iowa farmers would have to pay a tax on the sale of poultry and eggs in certain periods of each year to finance promotion of the sale of such produce under terms of a bill being drawn Tuesday by several members of the house of representatives.

The measure is patterned after the present state butterfat tax, the revenue from which is used to promote the sale of dairy products. The difference would be that the poultry and eggs advertising would specifically stress the Iowa produced poultry and eggs.

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From the Milwaukee Journal, Jan. 28 -

SEES INCREASE IN BLACK SUGAR; U. S. ATTORNEY TELLS OF COUNTERFEIT STAMP QUIZ - Black market operations centered in Chicago are growing steadily in the central states, Fred W. Lindbloom, attorney in charge of the Detroit branch of the office of temporary controls, said Tuesday in announcing a full scale federal investigation of counterfeit sugar stamp activities.

Government authorities could "break this thing in a hurry if store owners would talk," he added, "but so far they haven't been very co-operative."

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From Christian Science Monitor, Jan. 28 -

DECLINING COSTS SEEM HERALDING PRICE CUTS - New York - With the threat of labor trouble apparently out of the way, some businessmen here are beginning to turn back to the time-honored question, the relation between prices and costs.

Attention was called sharply to the matter at the turn of the year when the department stores here began cutting prices sharply in dry goods, furniture, and many other lines. The hope (or apprehension) developed that this was the turn of the price tide, and that from here on the reductions would be relayed from consumer resistance clear back to the manufacturers, who would have to cut prices also. And for a time there was talk of prospective price reductions not only in textiles but in building materials, shoes, and so on.

This hope was further encouraged by the decline in food prices, in the prices of luxury goods, and in commodity futures prices.

But manufacturers have not cut prices, with the exception of Ford (whose action people here see as a brilliant piece of public relations rather than as a straw in the wind). In fact, they are still raising them in many lines -- and in the rest they are "standing pat." It seems a case of the "irresistible force meeting the immovable body."

In other words, all along the line except in foods, manufacturers' prices are still holding steady.

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From Grand Rapids Press, Jan. 28 -

MAY PRODUCE HEAD LETTUCE; HOthouse GROWERS ARE ADVISED TO DIVERSIFY - Michigan hothouse vegetable growers were advised Tuesday against placing too many of their eggs in the leaf lettuce basket in the future.

Jack Rose, Michigan State college vegetable specialist and secretary of the Michigan Vegetable council, urged the producers to diversify their production by trying to find and develop new crops for forcing under glass. He warned that air transportation threatens to stiffen competition from southern outdoor crops.

The specialist suggested that the greenhouse men make trial plantings of Bellmay head lettuce with a view to capturing part of the market now supplied by western iceberg lettuce. He reported eastern growers were having considerable success raising head lettuce under glass. He also said there is a limited demand for Bibb's lettuce, but Maurice Chadwick of Grand Rapids, who has been raising this variety for several years, reported it must receive continual promotion to hold the market.

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